

BA-PHALABORWA MUNICIPALITY

2010/11 ANNUAL REPORT



THE HOME OF MARULA AND WILDLIFE TOURISM

REPORT SIGNED BY:

Dr. SS Sebashe

Acting Municipal Manager

Date:

Cllr NA Sono

Mayor

Date:

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FOREWORD BY THE MAYOR

I, Councillor Sono - the Mayor of Ba-Phalaborwa Municipality, hereby present the Annual Report of the Municipality to Council as a reflection on the financial and service delivery performance for the 2010/11 review period. The report is also presented, on behalf of Council, to all stakeholders and the general public. In the year under review, the Municipality continued to focus on its mission to:

Honourable Mayor



Cllr NA SONO

Ensure financial viability, sound administration and accountable governance for investor attractiveness;

Render all stakeholders with quality and affordable infrastructure and services for enhancing a safe and better life for all;

Manage the environment for future sustainable economic growth;

Support the mining industry for economic growth; and

Position the Municipality as a tourism destination of choice.

I can say that the report should give us more confidence that as council we will be able to cope with the demands and needs of the communities we serve, **BUT** our overall success still depends on the majority of the community being prepared to work hand in hand with this council by paying for the services they receive. A municipality such as Ba-Phalaborwa is heavily reliant on income generated from the sale of water and electricity, as such when consumers do not pay for their services, we obviously have a decline in revenue generation, thus affecting negatively the implementation of own funded projects.

In short, this annual report captures and reflects on the extent to which we have addressed the will and expectations of our people as outlined in the 2010/11 IDP and SDBIP.

ACHIEVEMENTS FOR THE 2010/11 FINANCIAL YEAR:

Key achievements in the review period were amongst others, in the following:

➤ **Roads and storm water**

Completed Tipeng storm water control culverts; and

Completed Quagga stormwater control culverts;

➤ **Capital projects implemented**

Completed Gravelotte RDP street paving (Phase 1);
Completed Namakgale street paving (Phase 3);
Completed Lulekani street tarring (phase);
Street Rehabilitation in Phalaborwa; and
Completed upgrading of electricity from single phase

During the financial year, 400 housing units were completed at Makhushane and Matiko Xikaya. Furthermore, 3 543 units were electrified and connected in the municipal area.

Through Local Economic Development initiatives and capital projects implementation the municipality created 562 temporary jobs and this reflects a 50% increase as compared to the 2009/10 performance.

Key challenges for the 2011/12 financial year

Key challenges for the 2011/12 financial year include amongst others the following:

Poor revenue collection due to non-payment of services; and

Improving on the disclaimer audit opinion

I would like to take this opportunity to commend all members of the Executive Committee, councillors and officials of Ba-Phalaborwa municipality who worked tirelessly during the period under review. This is the final footprint of your efforts and dedication in striving to continue delivering better services for our people.

Clir NA Sono

Mayor

29th December 2011.

EXECUTIVE SUMMARY

The goals and priorities of the Municipality for the 2010/11 financial year are summarised in the long-term strategic intent, which is presented in the form of the vision, mission, values and strategic objectives below:

VISION

“Best tourist Destination in Limpopo by 2020”

MISSION

- To ensure financial viability, sound administration and accountable governance for investor attractiveness
- To render all stakeholders with quality and affordable infrastructure and services for enhancing a safe and better life for all
- To manage the environment for future sustainable economic growth
- To support the mining industry for economic growth
- To position Ba-Phalaborwa as a tourism destination of choice

VALUES

- Efficiency and accountability
- Innovation and creativity
- Professionalism and hospitality
- Transparency and fairness
- Conservation conscious
- Continuous learning

SLOGAN

“The home of marula and wildlife tourism”

The Municipality set the following strategic objectives for itself:

- Ensure community well-being
- Facilitate economic growth and provide for mobility and access
- Become financially viable
- Develop effective and sustainable stakeholder relationships and partnerships
- Environmental sustainability
- Provide, maintain and upgrade municipal assets and services
- Good governance and institutional excellence

In order to achieve the stated objectives, the Municipality had to improve its creditworthiness and financial position. The financial health of the Municipality depended, amongst other factors on its ability to ensure:

- A consolidated partnership with stakeholders in service delivery;
- A deepened community-centred approach to development; and
- A coordinated and integrated approach to planning and development of the Municipality.

It is clear in this annual report that the financial health of the Municipality is not very sound. The continued negative audit report is also indicative of a lack of adherence to financial management principles and inconsistent application of financial controls.

CHAPTER 1: INTRODUCTION AND OVERVIEW

1.1 Introduction

According to Section 121(2) of the Municipal Finance Management Act (MFMA), read with MFMA Circular No. 32, the purpose of an annual report of a municipality is to:

- Provide a record of activities of the municipality;
- Provide a report on performance in service delivery and against the budget;
- Provide information that supports the revenue and expenditure decisions made; and
- Promote accountability to the local community for the decisions made throughout the year by the municipality.

The following schedule for the 2010/11 annual report process was adopted as part of the IDP/Budget/PMS Process Plan at the beginning of the financial year:

Table 1.1: Schedule for annual report process

ACTIVITIES		PRESCRIBED DATES	RESPONSIBILITY OF
1.	Submission of AFS to AG	31 Aug. 2011	MM
2.	Submission of a municipal entity's AFS to MM <i>(Not applicable to the Municipality)</i>	31 Aug. 2011	Entity's Accounting Officer
3.	Submission of Directorate-specific Annual Reports	31 Aug. 2011	Directors
4.	Submission of consolidated AFS to AG	30 Sep. 2011	MM
4.	Receipt of audit report from AG	30 Nov. 2011	MM
5.	Address issues raised in AG's report	Immediately upon receipt	MM and Mayor
6.	Submission of municipal entity's annual report to MM <i>(Not applicable to the Municipality)</i>	31 December 2011	Entity's Accounting Officer
7.	Tabling of annual report in Council	31 January 2012	Mayor
8.	Publicizes annual report for comments	Immediately after tabling	MM
9.	Submit annual report to AG, PT and DLGH	Immediately after tabling	MM
10.	Develop a schedule for considering	Immediately after tabling	MM

ACTIVITIES		PRESCRIBED DATES	RESPONSIBILITY OF
	annual report		
11.	Establish an oversight committee to consider annual report	Immediately after tabling	Council
12.	Attend oversight meetings considering the annual report to provide responses	Every time a meeting is called	MM
13.	Submit copies of minutes of the meetings to AG, PT and DLGH	Immediately after annual report consideration process	MM
14.	Adoption of an oversight report	31 March 2012	Council
15.	Publicize oversight report	Within 7 days of adoption	MM
16.	Submit annual report and oversight report to provincial legislature	Within 7 days of adoption of oversight report	MM

1.2 Geographical Overview

Ba-Phalaborwa Municipality is one of five local municipalities in the Mopani District of Limpopo Province. Its geographic area changed in the 2010/11 financial year from 3 004.88km² to 7 461.6km² with the inclusion of the adjacent District Management Areas (DMAs) comprising Mopani, Letaba and Olifants Rest Camps. The table below gives an overview of the areas covered with the number of registered voter per area.

Table 1.2: Major areas in Ba-Phalaborwa Municipality arranged according to voting wards

Ward	Areas Covered	Councillor	Registered Voters
1	Phalaborwa & Makhushane	TJ Makayela	3 984
2	Selwane	KS Malatji	3 879
3	Namakgale	MR Popela	2 701
4	Humulani & Matiko-Xikaya	T Nkuna	6 527
5	Phalaborwa	RJ Du Plooy	2 916
6	Lulekani Location	JG Mashele	4 444
7	Namakgale	MP Malatji	4 279

Ward	Areas Covered	Councillor	Registered Voters
8	Majeje	MS Chauke	2 249
9	Mashishimale	ME Malesa	2 661
10	Maseke & Gravelotte	MS Magomane	2 664
11	Makhushane	BCC Malajti	2 887
12	Namakgale	NA Sono	2 807
13	Namakgale	NV Sehlwana	3 502
14	Namakgale & Majeje	MO Makwala	3 414
15	Mashishimale, Maseke & Makhushane	DM Rapatsa	5 189
16	Kurhula, Pondo & Lulekani RDP	NP Nziane	2 727
Total			56 830

1.3 Demographic Profile

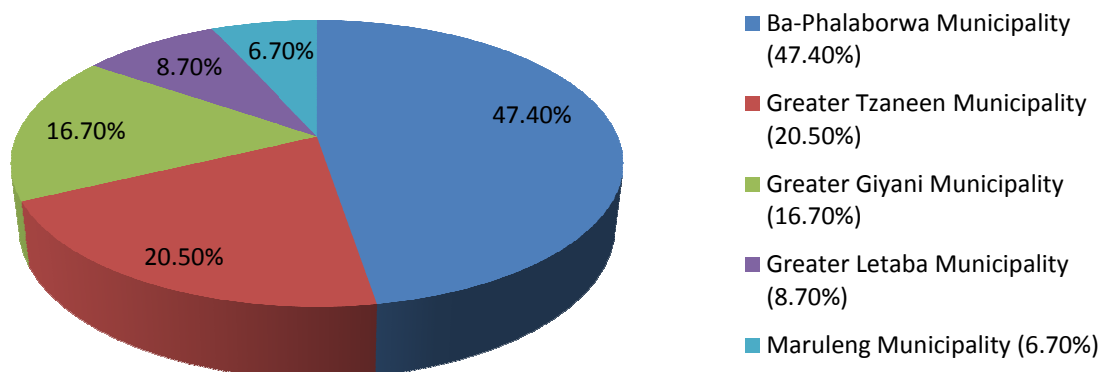
Table 1.3: Population distribution according to race groups

Source: STATS SA	No. Households	Total Population	% Population Distribution			
			Blacks	Whites	Coloureds	Asians/Indians
2007 Community Survey	23 792	127 304	95.27%	5.33%	0.40%	0%
2001 Census	33 529	131 098	91.50%	8.17%	0.26%	0.07%

1.4 Ba-Phalaborwa's Economy

The economy of the Municipality is dependent mainly on the mining sector followed by agriculture, mining, manufacturing and tourism. The diagram below presents the Municipality's comparative contribution to the economy of the Mopani District:

Ba-Phalaborwa's % Contribution to the GDP of the District



The National unemployment rate was estimated to be at 21.7% at the end of the 2010/11 financial year, whereas the municipal/district unemployment figures were at 20.9% in the same period. The contribution of the various sectors to the local economy is as depicted below:

Table 1.4: Percentage contribution of the major economic sectors to the local economy

Sector	% Contribution
Mining	68.1%
Agriculture	1.1%
Manufacturing	0.3%
Tourism	7.0%

1.5 Equitable Share

The Municipality adopted an indigent policy and updated its indigent register during March of 2011. According to the Indigent Policy of the Municipality, a consumer qualifying for indigent support receives the following subsidies as determined annually during the preparation of the municipal budget:

Table 1.5: Annual subsidies received by qualifying consumers

Service	Indigent Subsidy
Water	Minimum of 6Kl
Electricity	50 Kwh
Sewer	Fully subsidised
Refuse	Fully subsidised
Assessments Rates	Fully subsidised
Site rental	Fully subsidised

The Indigent Policy defines an indigent as a household consumer whose total income of all occupants is not more than an amount as determined by the Council from time to time. The subsidy applies only to the owner or tenant of the property. A total of 2 045 were registered by the end of

June 2011. The monthly expenditure incurred by the Municipality per indigent household per service is as indicated below:

Table 1.6: Monthly expenditure allocated to an indigent household per service

Service	Monthly Expenditure per Indigent HH
Water (50kl)	R33.45
Refuse Removal	R56.41
Sewerage	R75.47
Annual Rates	R60.00

An average indigent account on a monthly basis is estimated at R230.00 excluding electricity at R35.00 per month per household.

1.6 Governance Structures

1.6.1 Political Governance Structures

In the year under review, the Municipality was governed by the African National Congress (ANC) with an 84% representation in council. The Council comprised of 32 councillors, with 50% of them being ward councillors. 44% of the councillors were female. The executive body of council, under the leadership of the Mayor, comprised of 6 councillors.

The political structure comprised of elected representatives (Councillors) who were responsible for approving policies and by-laws and assumed a general oversight role over council functions. The Municipality had a change in council after the May 18 Local government elections and therefore two different councils served in the year under review. The first council served in the period between July 2010 and May 2011, whereas the second council was inaugurated on the 3rd of June 2011. The tables below present the two councils that served in the year 2010/11:

Table 1.7: Members of council and their work designations (Period from July 2010 to May 2011)

Council Member	Position in Council	Other Responsibilities
▪ Exco Members		
Cllr GD Mudunungu	Mayor (Chairperson of Exco)	Chairperson : Finance Portfolio
Cllr MP Malatji		Chairperson : Planning & Development Portfolio
Cllr MP Mukhari		Chairperson : Governance & Admin Portfolio
Cllr BC Dlamini		Chairperson : Technical Portfolio
Cllr PN Mabye		Chairperson : Community & Social Services Portfolio
Cllr SR De Beer		Member of Finance Portfolio

Council Member	Position in Council	Other Responsibilities
▪ PR Councillors		
CLlr MD Maake	Speaker of Council	
CLlr N Ndlovu		Member of Community & Social Services Portfolio
CLlr TJ Malatji	Serve on Mopani DM	Member of Governance & Admin Portfolio
CLlr C Hlatshwayo	Serve on Mopani DM	Member of Community & Social Services Portfolio
CLlr MD Malatji		Member of Planning & Development Portfolio
CLlr MM Malesa		Member of Governance & Admin Portfolio
CLlr KA Otto		
CLlr MM Mametja		Member of Community & Social Services Portfolio
CLlr MWJ Shilote		Member of Planning & Development Portfolio
CLlr KL Pilusa	Serve on Mopani DM	Member of Finance Portfolio
CLlr VP Mapanzela		Member of Finance Portfolio
▪ Ward Councillors	▪ Ward	▪ Other Responsibilities
CLlr TJ Makayela	1	Member of Planning & Development Portfolio
CLlr KS Malatji	2	Member of Finance Portfolio
CLlr MR Popela	3	Member of Technical Portfolio
CLlr T Nkuna	4	Member of Planning & Development Portfolio
CLlr RJ Du Plooy	5	Member of Technical Portfolio
CLlr JG Mashele	6	Member of Planning & Development Portfolio
CLlr MP Malatji	7	Chairperson of Planning & Development Portfolio
CLlr MS Chauke	8	Member of Community & Social Services Portfolio
CLlr ME Malesa	9	Member of Community & Social Services Portfolio
CLlr MS Magomane	10	Member of Technical Portfolio
CLlr BCL Malatji	11	Member of Governance & Admin Portfolio
CLlr NA Sono	12	Chief Whip
CLlr NV Sehlwana	13	Member of Technical Portfolio

Council Member	Position in Council	Other Responsibilities
Cllr MO Makwala	14	Member of Governance & Admin Portfolio
Cllr DM Rapatsa	15	Member of Finance Portfolio
Cllr NP Nziane	16	Member of Technical Portfolio

Table 1.8: Members of council and their work designations (Period from 3rd May 2011 to 30th June 2011)

Council Member	Position in Council	Other Responsibilities
▪ Exco Members		
Cllr NA Sono	Mayor	Chairperson of Exco
Cllr KP Mhlarhi		
Cllr VP Mapanzela		
Cllr DM Rapatsa		
Cllr MS Magomane		
Cllr E Engelbrecht		
Cllr SR De Beer		
▪ PR Councillor		
Cllr MD Maake	Speaker	
Cllr SL Mohlala	Chief Whip	
Cllr JG Mashele		
Cllr PS Mthombeni		
Cllr MO Makwala		
Cllr MR Monareng		
Cllr SR Nkuna		
Cllr NA Mashigwana		
Cllr MP Kgoete		
Cllr MV Mathebula		
Cllr XS Valoyi		
Cllr GJ Fleming		
Cllr HS Booyens	Not sworn in	
▪ Ward Councillors	▪ Ward	▪ Other Responsibilities
Cllr MM Malatji	01	
Cllr TG Malatji	02	

Council Member	Position in Council	Other Responsibilities
CLlr NE Ntimane-Ndlovu	03	
CLlr MR Popela	04	
CLlr PG Mabilo	05	
CLlr ST Mkansi	06	
CLlr KA Peta	07	
CLlr KE Mahomane	08	
CLlr MG Malesa	09	
CLlr DH Malatji	10	
CLlr SR De Beer	11	
CLlr KA Otto	12	
CLlr KP Mhlari	13	
CLlr IF Mpenyane	14	
CLlr R Makasela	15	
CLlr T Nkuna	16	
CLlr MS Chauke	17	
CLlr MS Mokgalaka	18	

In the year under review, the Municipality appointed an Oversight Committee comprising of councillors and members of the public for the purposes of considering the 2009/10 Annual Report:

- Councillors: Makayela TJ (Chairperson); Mapanzela VP; Malesa ME; and Malesa MM; and
- Public Representatives: L de Jaager, JJ Van Barkenhuizen; M Moagi; and W Mashele.

A total of 16 ward committee structures were in place to assist ward councillors and council in a carrying out the mandate of the community. The 16 wards were to be later replaced with 18 newly elected ward committees in line with the composition of the new Council. A minimum of 5 IDP Representative forum meetings were held in the year to review the 2009/2010 IDP, budget and performance management system.

1.6.2 Administrative Structure

The administrative arm, under the leadership of the Municipal Manager, was divided into six main line functions or departments/directorates:

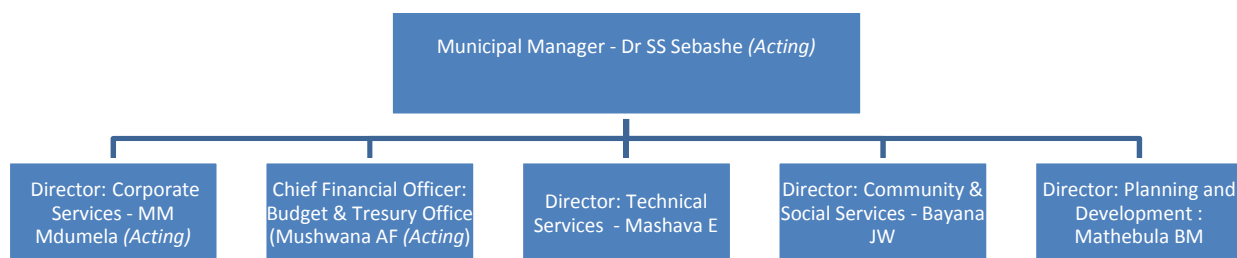
- The Office of the Municipal Manager;

- Corporate Services ;
- Budget and Treasury Office;
- Technical Services;
- Community and Social Services; and
- Planning and Development

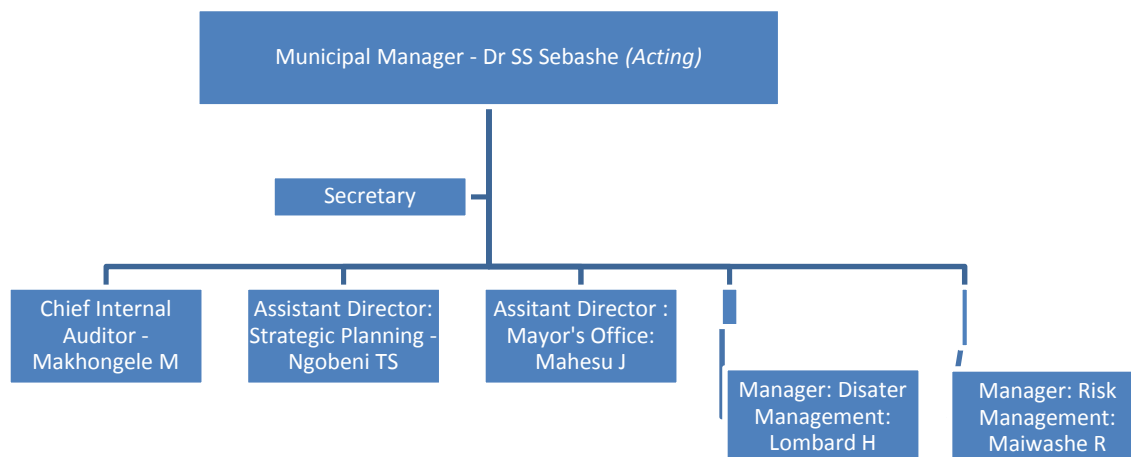
The charts below indicate the main functions, the chain of command as well as the incumbents of the senior positions in different departments by the end of the 2010/11 financial year:

Office of the Municipal Manager

The Municipal Manager, as the accounting officer, had five line function managers appointed in terms of Sections 56 of the Municipal Systems Act, Act 32 of 2000. The line function departments of the Municipality were Corporate Services, Budget and Treasury Office, Technical Services, Community and Social Services, and Planning and Development. The diagram below presents the departments and incumbents of the positions at the end of the 2010/11 financial year.

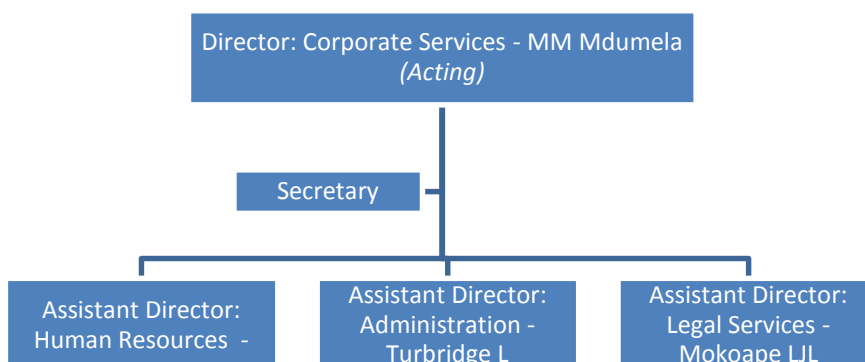


In addition to the departments, the Municipal Manager was responsible for strategic functions such as Internal Audit, Strategic Planning, Mayor's Office, Disaster Management, and Risk Management. The Strategic Planning Section consisted of the Integrated Development Planning (IDP), Performance Management (PMS), and Public Participation. Communications, HIV/AIDS, and the Sports, Women and Youth Desk were the responsibility of the Manager in the Office of the Mayor. The chart below presents the strategic sections that were in the Office of the Municipal Manager:



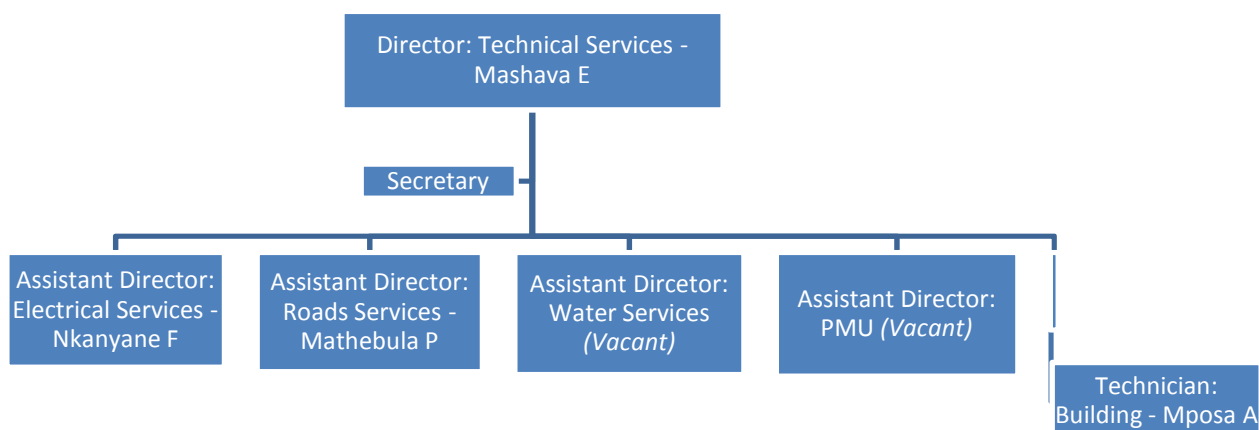
Corporate Services

The Corporate Services department had three main sections, viz. Human Resources; Administration; and Legal Services as indicated below:



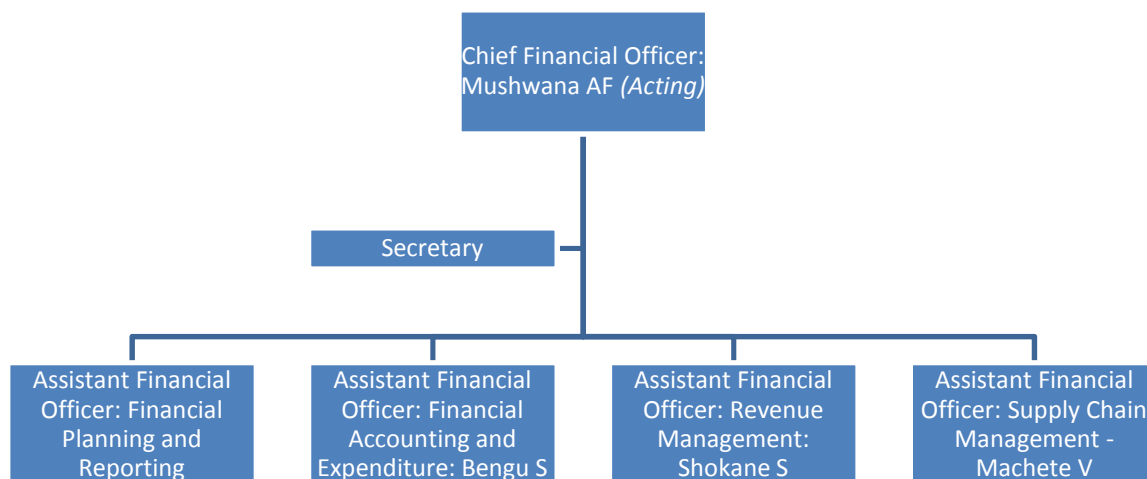
Technical Services

Technical Services as the main service delivery department of the Municipality consisted of Electrical Services, Roads and Stormwater Services, Water and Sanitation Services, Project Management Unit, and the Building Section.



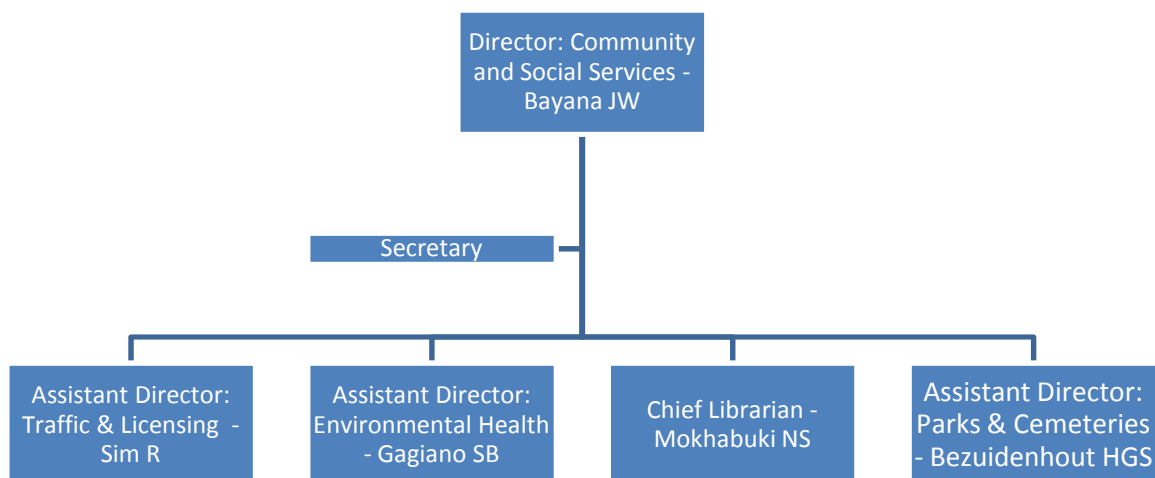
Budget and Treasury Office

The Budget and Treasury Office, under the Chief Financial Officer, was divided into Financial Planning and Reporting, Financial Accounting and Expenditure, Revenue Management, and Supply Chain Management. The Chain of command in the Department is presented in the diagram below:



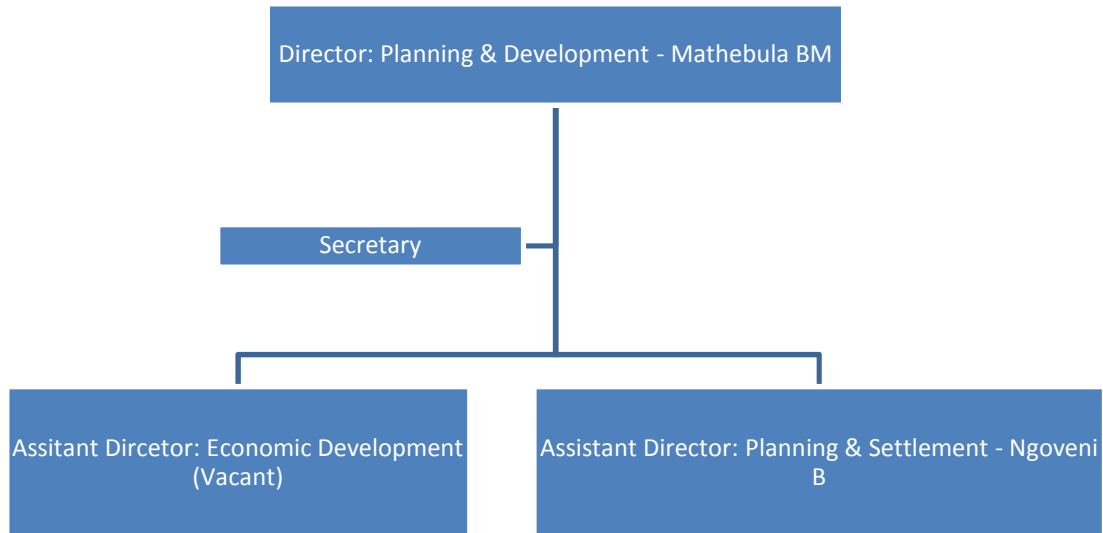
Community and Social Services

Community and Social Services comprised of Traffic & Licensing, Environmental Health, Library Services, and Parks and Cemeteries. The core function of the department is the provision of social services to the community.



Planning and Development

The Planning and Development directorate consisted of Economic Development, and Planning and Settlement sections. The former incorporated Local Economic Development (LED) and Tourism, whereas the latter included Town Planning, Housing and Land Use Management. The main function of the Department is to propose and manage the implementation of economic and spatial development plans across the municipal area.



1.6.3 Corporate Governance

The Anti-Fraud and Corruption Strategy was not reviewed in the 2010/11 financial year. The Municipality depended on the Presidential and Provincial Hotlines for inputs.

CHAPTER 2: PERFORMANCE HIGHLIGHTS

2.1 Introduction

The Municipality developed a Service Delivery and Budget Implementation Plan (SDBIP), which was used as the main performance reporting tool of the municipality. The SDBIP was approved by the Mayor on the ---- of June 2010 and informed the development of individual performance plans. The mid-year adjustments budget affected the pre-set performance targets and therefore necessitated a review of the SDBIP.

This section of the Annual Report covers performance highlights for the financial year under review; consolidated performance information; and the annual performance report that was developed in terms of section 46 (1) of the Municipal Systems Act, Act 32 of 2000.

2.2 Performance Highlights

The Municipality had the following performance highlights in the 2010/11 financial year:

- The Municipality won both the District and the Provincial Greenest Municipality Competition. It generally outperformed other municipalities in the areas of:
 - waste management;
 - energy efficiency and conservation;
 - water management ;
 - landscaping tree planting and beautification;
 - public participation and community empowerment; and
 - leadership and institutional arrangement.
- The IDP of the Municipality received a high level rating during the annual MEC provincial IDP assessments. The IDP process of the Municipality, as articulated in the IDP/Budget/PMS Process Plan, was followed to the latter with all the necessary IDP structures in place and functional. The highlight was the ability of the Municipality to promote community participation throughout the IDP process. The IDP document was also adopted in time and contained the legislated core components of an integrated development plan.

2.3 Performance Report**2.3.1 Introduction**

This annual performance report was compiled in accordance with the provisions of Section 46 (1)(a)(i) – (iii) of the Local Government: Municipal Systems Act, 32 of 2000 that a municipality prepares for each financial year an annual report consisting of a performance report that reflects:

- The municipality's and any service provider's performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
- The development and service delivery priorities and the performance targets set by the municipality for the following financial year; and
- Measures that were or are to be taken to improve performance.

2.3.2 Strategic Performance

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. It provides an overview on the strategic achievement of the Municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. Instead of reporting on functional areas and operational objectives, focus is on giving a strategic overview on achievement.

2.3.2.1 General Key Performance Indicators

In line with the provisions of Section 43 of the Municipal Systems Act, a municipality should report on National Indicators or the General Key Performance Indicators. This section focuses on how the Municipality performed with regard to the general key performance indicators.

Table 2.1: The performance of the Municipality on the general key performance indicators

National Indicator	Baseline (End June 2010)	Target (For 2010/11 FY)	Actual Achieved (In 2010/11 FY)
Percentage of households with access to basic level of water	95%	100%	99%
Percentage of households with access to basic level of sanitation	60%	100%	95%

National Indicator	Baseline (End June 2010)	Target (For 2010/11 FY)	Actual Achieved (In 2010/11 FY)
Percentage of households with access to basic level of electricity	98%	100%	98.5%
Percentage of households with access to basic level of solid waste removal	22 553 (67%)	67%	67%
Percentage of households earning less than R1 100 per month with access to free basic services		100%	100% (the given percentage reflects the actual performance based on the 2010/11 indigent register. Not all registered indigents are billed by the municipality because some are residing at villages and is not clear on what services are they receiving).
Percentage of the municipality's capital budget actually spent on capital projects identified in the 2010/11 IDP	86%	100%	40%
Number of jobs created through the Municipality's local economic development initiatives including capital projects	361 Temporary & 13 Permanent	200	562
Number of people from employment equity target groups employed in the three highest levels of management in compliance with the Municipality's approved employment equity plan	25	3	2
Percentage of the Municipality's budget actually spent on implementing the municipal workplace skills plan	1%	100%	38%
Financial viability :			

National Indicator	Baseline (End June 2010)	Target (For 2010/11 FY)	Actual Achieved (In 2010/11 FY)
Debt coverage	1.17:1	100%	57% The challenge is the boycotts by RPA and also the culture of non-payment.
<ul style="list-style-type: none"> Outstanding service debtors to revenue 	0.48:1	0%	130% Boycotts by RPA and culture of non-payment by consumers
<ul style="list-style-type: none"> Cost coverage 	0.08:1	100%	25% Poor revenue collection which is the result of boycotts by RPA and culture of non payment by consumers.

2.3.2.2 Development Priority Areas

The Municipality used the SWOT method to identify its development priority areas.

a. Development Priority Areas

The municipality identified the following development priority areas and challenges and set out to address them in the 2010/11 financial year:

Table 2.2: Identified development priority areas for 2010/11

Development Areas	Priority	Challenges	General Performance
Community Well-being		Providing quality services to the community. Ensuring healthy and sustained communities.	Satisfactory
Local Development	Economic	High poverty levels and high unemployment rate.	Satisfactory, given the global economic melt down

Development Areas	Priority	Challenges	General Performance
Environmental Sustainability		Like other municipalities, Ba-Phalaborwa is expected to have an environmental management plan, a waste management, a plan for recycling of waste and water as well as an alternative energy plan. Poor environmental	Environmental Management Plan not achieved. W waste recycling feasibility study was conducted. Alternative Energy plan not developed
		l practices negatively affect tourism development.	. Environmental practices improved by the establishment of partnerships with local entities, e.g. working for water and KNP.
Stakeholder Relations		Unstructured stakeholder management. Consultations with stakeholders were found to be on a needs basis and therefore not sustainable.	An Advisory Board, comprising major stakeholders, was established. A municipal Development Charter was signed by representatives of the major stakeholders.
Good Governance		The effectiveness of administration and the governance structure needed re-enforcement, more especially with regard to improving the capacity of employees, management and general leadership.	Employees, at different levels, attended skills development workshops. Special programmes for capacity building were also implemented through the WSP.
Financial Viability		Poor revenue collection. Imbalance between surcharges and affordability. Infrastructure maintenance, upgrading and replacement.	Efforts were made to contain increases in tariffs. A roads maintenance plan was rolled out. Electricity infrastructure refurbishment was undertaken.
Municipal Assets and		Poorly developed and old infrastructure. Poor maintenance plans and infrastructure	Several projects were implemented to revamp

Development Areas	Priority	Challenges	General Performance
Services		development plans.	infrastructure, e.g. replacement of asbestos sewage pipes.

b. Basic Service Delivery

The most important basic services provided by the Municipality are water and sanitation, refuse removal, electricity, and housing since they have a direct and immediate effect on the quality of lives of the people in a community.

i) Water and sanitation

Sustainable use of water:

The Municipality has a lot of water losses due to aged infrastructure that needs to be replaced. The water services structure or Organogramme needs to be beefed up for effective functioning of the unit.

Relationship with Lepelle Northern Water:

The relationship between the Municipality and Lepelle Northern Water was healthy, although the municipal account could not be settled.

Possible solutions to the problem of water provision:

Water provisioning in the municipal area was not without problems, and therefore the following strategies as solutions to the problems are suggested:

- Upgrading of bulk capacity (reservoirs)
- Replacement of aged water infrastructure
- Extension of water sources(boreholes)
- Water awareness campaigns

Access to Sanitation facilities:

In rural areas the Municipality provides sanitation through Ventilated Improved Pit (VIP toilets). In the Municipal town and the two townships (Namakgale & Lulekani), full water borne sewer is in place. In terms of the overall sanitation provision the Municipality is at 95%

Sustainable use of available sanitation facilities:

The use of Ventilated Improved Pit latrines is not sustainable as they are not maintained but replaced when they are full.

ii). Electricity

Demand management strategies implemented to the national electricity emergency programme: Strategies were not fully implemented but plans are in place to implement in the 2011/12 financial year

Table 2.3: Electrification backlog for the municipal area

Backlog at the End of June 2010	Number of Units Electrified during 2010/11	Current Backlog (End June 2011)
6 755	3 543	3 212

iii). Housing**Table 2.4: Housing backlog for the municipal area**

Backlog at the End of June 2010	Number of Units completed during 2010/11	Current Backlog (End June 2011)
4 500	400 units were allocated; the projects are still on-going at Makhushane and Matiko-xikaya.	4 100

iv). Refuse Removal**Table 2.5: Percentage access to refuse removal services:**

Access by the End of June 2010	Number of New Households that benefitted in 2010/11	Current Backlog (End June 2011)
22 553 (67%)	None	2 673

c. Local Economic Development

Number of jobs created through the Municipality's local economic development initiatives including capital projects:

Table 2.6: Number of jobs created through municipal initiatives

Number of jobs created in 2009/10	Number of Jobs created in 2010/11	% Increase/ Decrease
374	562	50% increase

EPWP projects implemented through labour intensive methods:

The following table presents EPWP projects that were implemented through labour intensive methods:

Table 2.7: EPWP projects implemented through labour intensive methods

Total Number of EPWP Projects Implemented in 2010/11	Number of EPWP Projects implemented through labour Intensive Methods	% EPWP Projects Implemented through labour Intensive Methods
8	8	100%

2.3.3 Strategic Plan Development**2.3.3.1 Vision**

The vision of the Municipality that guided the strategic and operational objectives and activities throughout the financial year read as follows:

Best Tourist Destination in Limpopo by 2020

Through this vision, the Municipality aimed at maximizing the utilisation of local competitive resources and taking advantage of its close and strategic proximity to the Kruger National Park and the Limpopo Trans-Frontier Park to grow the economy and better the lives of its citizenry.

2.3.3.2 Strategic Objectives

The identified development priorities and challenges resulted in the formulation of strategic objectives as presented in the strategy map below:



2.3.3.3 Strategic Development KPI Reporting

A strategic scorecard, linked to the strategy map of the Municipality, was developed with the view to providing Council and the Municipal Manager with a tool for conducting oversight and monitoring line function performance throughout the financial year. The scorecard provides strategic key performance indicators that were meant to assist council in ascertaining whether or not the Municipality is moving towards the attainment of the strategic objectives contained in the strategy map. Therefore, the strategic projects were perceived as critical projects that had to be implemented to address developmental challenges identified by the Municipality. The performance of the municipality on the strategic key performance indicators is as indicated in the table below:

Table 2.8: The Municipality's performance on set Strategic Objectives

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
Community	Ensure community well-being	HIV/AIDS	Implementation of HIV/AIDS Policy	HIV/AIDS workplace policy was implemented through the provision of awareness campaigns, distribution of condoms and conducting HIV/AIDS workshops	
		Sports, Arts and Culture	Implementation of sport, arts and culture support initiatives	Cultural groups participated in the annual Marula Festival and the September Tourism Month activities. The Municipality also participated in district and provincial sport, arts and culture events.	
		Heritage sites	Heritage page developed for website	None	100%
		Community capacity	Literacy programme: Develop	15 unemployed learners	None

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
		building	a co-ordination mechanism and implementation plan. Mobilize enrolment.	registered in our ABET centre.	
		Community capacity building	Learnerships: Assess the learnership and give feedback to the FET	None	There was no clear approach on the implementation of Community programmes
		Community capacity building	Skills Training: Develop the database of the low-end role player in the tourism and identify skills gap. Facilitate the enrolment with the training providers	A database of tourism product owners developed	Skills gap analysis not conducted and no facilitation could be done for training.
		Libraries	Continual library outreach programmes	6 Library outreach programmes conducted	
		Safety and security	Assist with development of community police forums	<ul style="list-style-type: none"> • Attended briefing sessions on the implementation plan for Community Safety Forum and street committees. • Invited stakeholders to CPF meetings. • Attended Community Safety Forums as per invitations. 	
		Traffic and licensing	Continual enforcement with the emphasis on moving	100%	

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
			offences		
Financial	Become financially Viable	Revenue	Implementation of revenue enhancement strategy	62% achieved on Revenue collection	Boycotts by RPA and the culture of non-payment by Consumers
	Facilitate local economic growth and provide for mobility and access	Local Economic Development	LED Strategy: Implementation of LED strategy	Projects as identified in the strategy were implemented	Not all projects were projects implemented due to budgetary constraints.
		Local Economic Development	Infrastructure Development: Assessment report on infrastructure capacity	Water Services: The Capacity is Insufficient Electricity: In the townships, there is a need to upgrade the Bulk from Eskom. In Phalaborwa town the existing capacity is sufficient and it can take additional users in both business & Industrial and House holds	There is a need to upgrade the bulk water capacity. Eskom need to upgrade bulk capacity on their supply areas
		Local Economic Development	Informal Trading: Compile a database of informal business per cluster	Database compiled	
		Local Economic Development	Establishment of partnerships: Review and implement procurement policy to promote partnerships	Partnerships have been forged with the local mines and the DBSA.	
		Local Economic Development	Tourism: Review and implement tourism strategy	The strategy was implemented	

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
			and align with SDF and LUMS		
		Local Economic Development	Mining: Analysis of available resources and mining opportunities	A district wide analysis was adopted	
		Local Economic Development	Agriculture: Identification of agricultural products with a competitive advantage	Identification was done for the Selwane Waterbok area. Initiatives undertaken to produce the products were very successful.	The project was funded through the PMC social labour plan
		Marketing	Marketing: Develop a Marketing Plan	Not developed	No funds for appointment of service provider
	Provide mobility and access	Intermodal transport development	Transport Network: Implementation of the Integrated Transport Plan	Two taxi ranks (Namakgale and Lulekani) were constructed.	
Institutional	Provide, maintain and upgrade municipal assets and services	Waste Management	Implementation of Waste Management Plan	100%	
	Environmental sustainability	Environmental Management	Environmental monitoring: develop an environmental management framework and plan	None	
	Environmental sustainability	Environmental Management	Energy saving: Review building policies and by-laws for new developments. Develop an electricity restriction by-law	The Municipality uses the National Building regulations and our by-law is in line with this regulation	
	Environmental sustainability	Environmental	Renewable Resources:	Currently the Municipality is	

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
		Management	develop a strategy and implementation plan for renewable resources	in the process of installing solar geysers in all our low cost houses. Eskom assisted the Municipality with the replacement of house hold lights with energy saving.	
	Environmental sustainability	Environmental Management	Water: Ensure the implementation of the water saving strategy	The Municipality is fully implementing the water saving strategy	
	Environmental sustainability	Environmental Management	Green Programme: develop a greening plan aligned to the Environmental Management Plan	Greening Plan developed for the Premier's Greening Limpopo Project (but there is no Environmental Management Plan)	
	Environmental sustainability	Disaster Management	Development of response and mitigation plans	100%	
	Environmental sustainability	Disaster Management	Implementation of disaster management framework	100%	
	Environmental sustainability	Food Control	Facility Inspection: Conduct inspections as per roster	100%	
	Environmental sustainability	Maintenance and Upgrading – parks and Open Spaces	Parks Maintenance: Apply maintenance roster	100%	
	Environmental sustainability	Maintenance and Upgrading – parks and	Open Space Management: Include open space policies in	100%	

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
		Open Spaces	the Greening Plan		
	Environmental sustainability	Maintenance and Upgrading – parks and Open Spaces	Garden Management: Monthly maintenance of all developed gardens	100%	
	Environmental sustainability	Maintenance and Upgrading – parks and Open Spaces	Alien Plant Control: Removal of reported declared weeds or chemical control on identification of sites	100%	
	Environmental sustainability	Maintenance and Upgrading – parks and Open Spaces	Grass Cutting Management: Mow lawns as per the mowing roster and additional cuttings as identified by Parks management and replace equipments required	100%	
	Environmental sustainability	Maintenance and Upgrading – Sports facilities	Upgrading of Stadiums: Complete procurement of actions for phase 1 of Lulekani and Namakgale stadiums	These projects are not funded	
	Environmental sustainability	Maintenance and Upgrading – Sports facilities	Development of sport facilities in clusters: Develop a sport status quo report and master plan	No sport status quo report was developed. Lulekani stadium was upgraded with funding from Foskor.	Sports facilities in the rural areas are not controlled by the Municipality.
	Environmental sustainability	Cemeteries	Infrastructure development at new Lulekani cemetery and at extension of Namakgale cemetery on ground obtained	EIA for Lulekani Cemetery completed. Nothing done at Namakgale Cemetery due to lack of funds	

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
Institutional	Develop effective and sustainable stakeholder relationships	Cooperative Governance	Stakeholder: Conduct stakeholder analysis and develop database per category stakeholder. Develop stakeholder consultation map. Conduct consultations according to map	A recommendation was made to establish an advisory board which was to be entrusted with the responsibility of further establishing clusters.	
	Develop effective and sustainable stakeholder relationships	Cooperative Governance	Partnership Relations: Identify strategic areas that need partnership, identify potential partners, develop partnership engagement model	An advisory board comprising of major stakeholders was established. A development charter was signed by the stakeholders	
	Develop effective and sustainable stakeholder relationships	Cooperative Governance	Customer relations management	The Batho Pele programme and a community satisfaction survey were used to ensure effective customer relations management.	
	Develop effective and sustainable stakeholder relationships	Cooperative Governance	Imbizos Programme	Mayoral Imbizos were held on a quarterly basis	
	Develop effective and sustainable stakeholder relationships	Cooperative Governance	Traditional Leaders	Traditional leaders were invited to attend council meetings. Public participation meetings in the rural areas were conducted, where possible, in the premises of traditional authorities.	Participation by traditional leaders in council meetings has not been satisfactory.
Institutional	Develop effective and sustainable	Cooperative Governance	Public Participation: Update stakeholder database. Develop	The stakeholder database was updated for the purposes	

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
	stakeholder relationships		and implement clear rules and procedures on stakeholder involvement	of enhancing participation in the IDP representative forum.	
	Develop effective and sustainable stakeholder relationships	Cooperative Governance	Enhance communication between Council and community through Ward Committees	Monthly ward committee reports were received through the office of the Speaker and circulated to departments for processing ward service delivery concerns.	
Institutional	Good Governance and Institutional Excellence	Regulatory Framework	Policies and By-laws: Evaluation and review of existing policies	1.Over Time Policy 2.Leave Policy 3. PMS Policy	1.Standby Allowance Policy draft 2.Shift Allowance Policy draft 3. Draft Rewards and Incentives Policy
	Good Governance and Institutional Excellence	Information Technology	Develop software programme checklist and update when necessary. Upgrade integrated library network. Establish cemetery services software and electronic registers. (Evaluate all software systems in Municipality. Upgrade and integrate all software systems and programmes	The financial system was evaluated and initiatives undertaken to replace the existing system. Integration of library network, development of a computerized cemeteries register, and development of an integrated IT system could not be achieved due to financial constraints.	

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
	Good Governance and Institutional Excellence	IDP	Credible IDP: Develop and implement a mechanism to monitor participation by senior members through the IDP process	Separate attendance registers for different clusters of stakeholders were kept to monitor consistency of attendance.	
	Good Governance and Institutional Excellence	IDP	IDP/Budget Rep Forum: Develop and implement a mechanism to monitor attendance of IDP/Budget Representative Forum meetings	The Municipality has compiled the IDP stakeholders' list. All listed stakeholders were part of planning process through their participation in the IDP Rep forums. Separate attendance registers for stakeholders are kept.	
	Good Governance and Institutional Excellence	IDP	IDP/Budget Steering Committee: Develop and implement a strategy for monitoring attendance and maximizing participation and ownership of the IDP Process	All scheduled IDP Steering Committee meetings were held as per approved IDP/Budget/PMS Process Plan.	
	Good Governance and Institutional Excellence	Spatial Development Planning	Attend all spatial Forums/Information sharing	District technical committee meetings were attended.	
	Good Governance and Institutional Excellence	Land Use Management	Compliance to the LUMS	The LUMS was complied with and non-compliance were dealt with as per provisions of the scheme	Land invasions particularly in the township
	Good Governance and Institutional Excellence	Building	Building Plans assessment	Building plans assessed on a	

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
	Excellence			regular basis	
	Good Governance and Institutional Excellence	Housing	Housing Beneficiation Administration: Completion and implementation of housing needs register collation	Beneficiary complied and submitted to DLGH. The development areas information was also submitted to DLGH	
	Good Governance and Institutional Excellence	Housing	Housing delivery: Handing over of complete project houses	The handover was done by DLGH	This is provincial function, the role of the municipality is on beneficiary identification
	Good Governance and Institutional Excellence	Land Administration	Compliance to the SDF	Compliance was ensured on municipal land	Allocation of land by the tribal authorities not in line with SDF
	Good Governance and Institutional Excellence	Performance Management	Institutional PMS: Strengthen and support oversight structures	Political principals together with interested community members were provided with Oversight training that was facilitated by the DLGH.	
	Good Governance and Institutional Excellence	Performance Management	Performance Reporting: Develop and implement a mechanism for benchmarking performance reporting in terms of content and timing	The SDBIP was used as a monitoring and reporting mechanism. The process plan was used monitor adherence to legislative date with regard to PMS.	
Institutional	Good Governance and Institutional Excellence	Performance Management	Review performance management policy and cascade to lower levels	Performance Management Policy was reviewed and tabled to Council for noting.	The consultation process was not completed.

Perspective	Strategic Objective	Programme	Short Term Strategy	Actual Performance	Variance / Comments
Learning and Growth	Good Governance and Institutional Excellence	Capacity Building and Training	Align and implement WSP to competency gaps	15 learners placed on Local Government Accounting Certificate 16 Managers placed on Municipal Finance Management Program	6 competent and 9 still outstanding In progress

2.3.4 Municipal Turnaround Strategy

The table below presents the performance of the Municipality in the implementation of the Municipal Turnaround Strategy during the year under review:

Table 2.9: The Municipality's performance in implementing the Municipal Turnaround Strategy

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
1	Basic Service Delivery					
1.1	Access to water	1. Infrequent supply of water at Gravelotte & all villages	1. Functional boreholes at Selwane, Mashishimale, Gravelotte	1. Monitoring the functionality of the boreholes	Water supply challenges in all the areas are still not fully addressed.	Mopani District need to assist in addressing the challenges
		2. Aged infrastructure (Asbestos pipes) and no refurbishment plan for PHB, Lulekani & Namakgale	2. Section of pipeline replaced each financial year	2. PHB refurbished reticulation	A portion of water reticulation line has been replaced in Phalaborwa town.	The budget allocated was far less than what is required. An

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
				line		intervention is required on funding provision.
1.2	Access to sanitation	Existing sewer reticulation aged (asbestos) in PHB, Namakgale and Lulekani	Planning of Namakgale sewer treatment works upgrade & PHB pump station	Replacement of sewer reticulation in PHB	Replacement not done	The budget was not funded
1.3	Access to electricity	1. Electrification backlog of 7 000 units	1. Electrificate Matiko Xikaya, Biko, Humulani	1. Apply for additional funds to implement electricity projects	100%	All the areas were electrified.
		2. PHB aged infrastructure	2. Complete two refurbishment/upgrading projects	2. Improve collection of electricity service charges	80%	The upgrading project was not completed since it started late due to cash flow challenges. Completion is scheduled for August 2011.
1.4	Refuse removal and solid waste disposal	Removal of solid waste in PHB, Namakgale, Lulekani, Gravelotte, Mashishimale R1, R2, R3 and Mandela Village	Extension of waste removal services to matiko-Xikaya & Lulekani A	Hire more labourers for the extension of services	Labourers were not hired	The service couldn't be extended to Matiko-Xikaya and Humulani because no labourers were hired and no truck

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
						bought
1.5	Access to municipal roads	1. No maintenance budget and plan for provincial and district roads	1. Complete the Integrated Roads Master Plan	1. None	This plan was not budgeted for in the 2010/11 FY	Anticipated intervention from the Province did not happen.
		2. Insufficient allocation to eradicate the backlog by 2014	2. Implement all MIG-funded projects & finish in time	2. Fast-track the implementation of the MIG projects	100%	All allocated funding has been spent on the approved projects
1.6	Formalisation of informal settlements	No informal settlements	No informal settlements	Prevent the mushrooming of informal settlements	None	No informal settlements
2	Public Participation					
2.1	Functionality of Ward committees	All ward committees functional	All ward committees functional	Process issues raised at ward committee, meetings through Portfolio Committees	Ward committee reports were consolidated and issues referred to departments for processing.	
2.2	Broader public participation policies and plans	Public participation done in line with IDP/Budget Process Plan	Finalise the Stakeholder forum and sign social compact with all stakeholders	Meaningful participation of sector departments in the IDP/Budget	The municipality has facilitated the signing of development Charter through the DBSA. An advisory board as an Independent body that advises	

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
				Process Plan	the Municipality on issues of development and resource mobilization for development in the municipal area was also established.	
2.3	Public Communication Systems	Not effective	Improve the effectiveness of the public communication system	Strengthen Communication unit with skilled personnel	No new personnel acquired	
2.4	Complaints management system	Functional but not effective – lacks timeous tracking of all queries	Functional and effective complaint management system	Timeous tracking of all received queries	Departments kept complaint registers. The Manager Risk Management kept a register of complaints received through the offices of the Mayor and the municipal Manager.	None
2.5	Front Desk Interface	Front Desk serve as switchboard	Integrated front desk function	Integrate the front desk	Not done	
3	Governance					
3.1	Political Management and Oversight					
3.1.1	Stability of Councils	Functional Council	Functional Council	Functional Council	Six(6) ordinary Council and six(6) special Council meetings held	none

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
3.1.2	Delegation of functions between political and administration	Delegation system in place	Review the delegation system	Review the delegation system	Council approved the reviewed Council Standing Orders	none
3.1.3	Training of Councillors	Councillors trained as per WSP	Councillors trained as per WSP	Councillors trained as per WSP	No training of councilors in terms of the WSP. However, five councilors were trained on LED and 16 on Oversight committee and one (1) completed the CPMD program.	
3.2	Administration					
3.2.1	Recruitment, selection and suspension of employees	All critical posts filled	All critical posts filled	No employees on suspension	One (1) In the Budget and Treasury	
3.2.2	Vacancies (Top 4 – MM, CFO, Planner, Engineer)	No Vacancies	No vacancies	Retention strategy in place	Strategy was in place and approved by Council	none
3.2.3	Vacancies in other levels	196	Halve the vacancy rate	Halve the vacancy rate	Appointed 38 (19,4%)	158 (80,6%)
3.2.4	Top 4 appointed with signed performance agreements	Top 6 appointed with performance agreements	Top six signed annual performance agreements by due date	Annual performance agreements completed by 30th July 2010	Performance agreements completed and signed by end of July 2010	
3.2.5	Organisational Performance Management	Organisational performance Management cascaded to Assistant Directors	Cascade organisational performance management system to post level 6	Quarterly performance assessments	Performance Management System was cascaded to post level 3 (including two managers at post level 4 in the	

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
					office of the Municipal Manager). All Section 57 Managers and Assistant Directors were assessed on a quarterly basis.	
3.2.6	Skills development for employees	Workplace skills plan (WSP) in place and implemented	Enhance training programmes for semi-professional staff (artisans)	2010/11 WSP more focused on artisans training	Eight (8) labourers underwent a Recognition of Prior Learning in plumbing. Six of them were found competent.	2 learners are still to be considered, while 3 learners withdrew and 1 went on pension
3.3	Labour relations					
3.3.1	Functionality of Local Labour Forum	Local Labour Forum in place, functional and constructive engagements maintain functionality and constructiveness of LLF	Meaningful consultation at LFF on all labour related matters	Elimination of conclusion of onerous collective agreement at SALGBC	9 meetings held	3 meetings not held in April-June 2011 due to non-availability of members who were attending Labour and Council businesses
4	Financial Management					
4.1	Revenue Enhancement	1. Revenue Enhancement Strategy in place	1. Improve implementation of revenue Enhancement Strategy	1. Complete data cleansing project of municipal accounts	Project completed	
		2. No cost recovery in rural,	2. Institute cost	2. Improve	None.	Most of the areas

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
		townships and sector departments	recovery in rural areas and enforce credit control measures in townships and sector departments	enforcement of credit control measures		are not metered. Metered households in rural areas were not receiving constant water supply.
4.2	Debt Management	Unfunded mandates in relation to operations and maintenance for water and sanitation affecting cash flow	Eliminate unfunded mandates. Improve working capital	Improve revenue collection for working capital	Not all earmarked projects were implemented.	Poor revenue collection
4.3	Cash Flow Management	No working capital. Overdraft facility of R6 million as approved by Council in place	Improve revenue collection. Overdraft facility to be paid-off by end of June 2010	Have working capital. Manage the overdraft facility as per MFMA provisions	Overdraft facility was paid off in January 2011 and closed before year end	
4.4	Repairs and Maintenance Provision	15% of operational budget allocated to repairs and maintenance	15% of operational budget allocated to repairs and maintenance	Expenditure on repairs and maintenance	All planned maintenance and repairs projects were implemented during the FY under review.	
4.5	Capital Expenditure	MIG @ 42% Own funds @ 72%	2009/10 MIG @ 100% by March 2010 2010/11 MIG @ 70%	Improve MIG expenditure	100% on MIG Expenditure 98% on INEG	
4.6	Clean Audit	Disclaimed opinion. Audit issues. Action Plan in Place	Implement the Action Plan on issues raised by the AG. Eliminate recurring issues	Full implementation of action plan and eliminate recurrence of	Action plan implemented, but not all issues were addressed	

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
				issues.		
4.7	Submission of Annual Financial Statements	Submitted by 31 August 2009	Submit by 31 August 2010	Compile GRAP-complaint AFS Resourcing the Financial Controls Unit	Financial Statements were submitted by 31 st August 2010	
4.8	Asset Management	Asset Register not complaint to GRAP	GRAP-complaint Asset Register	Unbundling of infrastructure assets (roads)	Unbundling of roads infrastructure completed. Unbundling of electricity infrastructure was on tender at the end of the financial year.	
4.9	Credibility and transparency of Supply Chain Management	SCM Policy and Procedures in place	SCM audit completed SCM Risk Register in place	Implement Internal Audit recommendations on SCM. Manage the SCM operational risks	Identified risks in SCM were attended to and Supply Chain Policy was reviewed.	
5	Local Economic Development					
5.1	Municipal contribution to LED	Plans to formalize the Marula industry in place	Complete & operationalize the Marula Extraction Hub & consolidation of Marula Women cooperatives (MWCs)	1. Fast-track the construction of the Marula Oil Extraction Hub	The nut cracking machines were delivered. One depot was finalized in Makhushane showground.	

No.	Priority Turn Around Focal Area	Baseline (as in January 2010)	Target (for December 2010)	Municipal Action	Actual Performance (as on 30th June 2011)	Variance / Comments
				2. Outline the business process and plant design to manufacture other products on the Marula value chain	Service provider appointed for the development of the Marula Beneficiation Strategy.	
				3. SABA & FMASA accreditation & certification		
5.2	LED Plan aligned to the PGDS and adopted by Council	Draft LED Strategy	LED Strategy aligned to SDF and PGDS adopted	Public participate draft LED at stakeholder forum, consolidate inputs, table at IDP Representative Forum, Portfolio Committee, EXCO and Council.	The LED Strategy public participated and adopted by council.	

2.3.5 Major Projects Implemented through Grant Funding

Projects are reported per functional area and reasons are given for none implementation of projects.

Table 2.10: Major capital projects implemented in the 2010/11 financial year

IMPLEMENTING DEPARTMENT	PROJECTS		STATUS END JUNE 2011		COMMENTS
	IDP NUMBER	NAME	TARGET	ACTUAL	
		Tipeng Stormwater Control Culverts	Completed	Completed	
		Quagga Stormwater Control Culverts	Completed	Completed	
		Gravelotte RDP Streets (Phase 1)	Completed	Completed Site handed over to contractor	
	MIG/05	Namakgale Streets Paving (Phase 3)	Implementation	Completed	
	MIG/03	Lulekani Streets Tarring	Completed	Completed	
		Gravelotte RDP Houses Streets	Implementation	Site handed over to contractor	
	MIG/04	Namakgale Streets Paving (Phase 4)	Design Stage	Preliminary design report approved	The project was budgeted for planning only
	MIG/14	Makhushane	Tender Stage	Draft tender advert submitted	
	MIG/09	Kurhula Streets Paving	Design Stage	Preliminary design report approved	The project was budgeted for planning only
	MIG/O6	Matiko-Xikaya Streets Paving	Conceptual Stage (registered)	Specification stage	
	MIG/16	Selwane Streets Paving	Conceptual Stage (registered)	Specification Stage	The project was budgeted for planning

IMPLEMENTING DEPARTMENT	PROJECTS		STATUS END JUNE 2011		COMMENTS
	IDP NUMBER	NAME	TARGET	ACTUAL	
					only
	MIG/01	Phalaborwa CBD Streets	Tender Stage	Draft tender advert submitted	
	MIG/19	Majeje Subsoil Drainage System	Design Stage	Preliminary design report approved	The project was budgeted for planning only
	MIG/20	Thepe Trust Bridge	Design Stage	Preliminary design report approved	The project was budgeted for planning only
		Streets Rehabilitation in Phalaborwa	Completed	Completed	Phase 1 is complete
		Lulekani Sports Precinct	Construction Stage	Implementation	To completed in the 2011/12 financial year
		Upgrading of Electricity from Single Phase	Completed	Implementation	To completed in the 2011/12 financial year

2.3.6 Capital Plan for Addressing Infrastructure Backlogs

The table below presents a three year plan for addressing infrastructure backlogs in terms of the MIG framework

Table 2.11: Three year plan for addressing Infrastructure backlogs in terms of MIG Framework

Project Description	Location	Project Budget (R'000)		
		2011/12	2012/13	2013/14
Phalaborwa Upgrading of Taxi Rank Facilities	Phalaborwa	1 353	-	-
Tshelang Kgape –Maphuta Street Paving	Namakgale	1 676	1 987	2 000
Namakgale/Nyakelang Street Paving Phase 3	Namakgale	100	2 900	
Matiko-Xikaya & Humulani Street Paving	Matiko-Xikaya & Humulani	500	2 500	2 500
Majeje Street Paving	Ben Farm/Majeje	150	2 850	1 500

Project Description	Location	Project Budget (R'000)		
		2011/12	2012/13	2013/14
Mashishimale Streets Paving - R1, R2 & R3	Mashishimale (Phatamas & Mochongolo)	200	3 800	4 000
Kurhula Streets Paving	Lulekanio/Kurhula	700	2 000	2 100
Phalaborwa Taxi Rank Overhead Walkway	Phalaborwa Taxi Rank	1 800	-	-
Gravelotte Streets Paving	Gravelotte	2 000	-	-
Lulekani Streets Paving (B1 Ext & Biko)	Lulekani	150	3 450	2 400
Namakgale Streets Paving (Score & Zone D)	Namakgale	150	2 450	2 400
Makhushane Streets Paving	Makhushane (Patamedi)	1 700	-	-
Maune / Sebera Streets Paving	Makhushane (Maune / Sebera)		600	1 900
Selwane Streets Paving	Selwane	2 000	2 100	2 500
tipeng Storm Water Culverts Phase 3 & 4	Makhushane / Mashishimale	200	3 800	200
Quagga Stormwater Culverts Phase3 & 4	Majeje	200	3 800	2 000
Majeje Subsoil Drainage System	Majeje	2 740	1 500	1 500
Thepe Trust Bridge	Mashishimale R3 (Thepe)	2 593	-	-
Installation of High Mast Lights and Street Lights		5 610	6 732	8 078
Total		23 822	40 469	33 078

2.3.7 Performance of Municipal Service Providers

The following service providers were appointed by the Municipality in the 2010/11 financial year for the implementation of mentioned services.

Table 2.12: Service providers appointed for the implementation of projects

Name of Service Provider	Service Description	Target (scope, cost and time)	Actual Performance (scope, cost and time)
Timo Construction cc	Tipeng Stormwater control culvert phase 2	Construction of a low level bridge, 4 months project. Amount allocated R107,825.00	Completed as per the scope.
Mminatshipi Trading Enterprise	Quagga stormwater control culverts phase 2	Construction of a low level bridge, 4 months project. Amount allocated R316,713.00	Completed as per the scope.
Thobeka projects	Gravelotte RDP phase 1	Upgrading of a road from gravel to paving. Amount allocated R40,845.00	Completed as per the scope.
Lulama woman investments	Namakgale street paving phase 3	Upgrading of a road from gravel to paving, 4	Completed as per the scope.

Name of Service Provider	Service Description	Target (scope, cost and time)	Actual Performance (scope, cost and time)
		months project. Amount allocated R 2,697,000.00	
Macp construction	Lulekani Street tarring phase 3	Upgrading of a road from gravel to Tar. Amount allocated R 1,918,000.00	Completed as per the scope.
Quality plant hire	Gravelotte RDP Houses street phase 2	Upgrading of a road from gravel to paving. Amount allocated R 2,676,000.00	Completed as per the scope.
Lumar Engineering consultants.	Namakgale Streets phase 4	Designing a road that needs to be upgraded from gravel to paving. Amount allocated R 400,000.00	Completed as per the scope.
Pesaco Developers	Makhushane/patamedi street paving	Upgrading of a road from gravel to paving. Amount allocated R 1,300,000.00	Completed as per the scope.
BCE consulting Engineers	Kurhula Street paving phase 1	Designing a road that needs to be upgraded from gravel to paving. Amount allocated R 350,000.00	Completed as per the scope.
Sky High consulting Engineers	Matiko-xikaya street phase 1	Designing a road that needs to be upgraded from gravel to paving. Amount allocated R 150,000.00	Completed as per the scope.

2.3.8 Municipal Entities Strategic Alignment

The municipality did not enter into a service delivery agreement with an external entity and therefore there were no key performance indicators that were set to be achieved through a service provider acting on behalf of the Municipality and in terms of the provisions of Section 76 (b) of the Municipal Systems Act.

2.4 Functional Performance

2.4.1 An Overview on SDBIP Performance

The Municipality has done fairly well in the implementation of the SDBIP, but suffered a setback in terms of the implementation of projects after the adjustments budget. Most of the planned projects had the budgeted funds adjusted downwards or completely removed for the financial year. Poor

revenue collection delayed project implementation and therefore negatively affected the achievement of quarterly milestones.

The Project Works Plan Expenditure template below, on basic service delivery, depicts that over 35% of the planned projects were not implemented as a result of insufficient funds. It is also evident from the table that most of the projects implemented under the key performance area were not directly funded from municipal revenue. The analysis indicates that the Municipality did not perform well in terms of implementing the SDBIP, particularly on service delivery initiatives.

2.4.1.1 Operational Projects / Initiatives – Annual Outputs

Table 2.13: Operational Projects/ initiatives for 2010/11

OPERATIONAL PROJECTS / INITIATIVES - ANNUAL OUTPUTS								
Strategic Objective	Responsible Directorate	Functional Area / Programme	Project Name	Total Operational Budget	End of Year Target	Actual Performance End June 2011	Challenges	Interventions
KPA 1: Municipal Transformation and Organisational Development								
Good Governance and Institutional Excellence	Corp	HR - Training	Skills Training -WSP (5% of the workforce undergo in-service training)	930,000	Implemented 100% of the programmes in the WSP.	25% of the programs in the WSP implemented	Training was suspended as a result of financial constraints.	Suspended training programmes to be reviewed and considered for rollover into the 2011/12 FY
		HRM	Municipal Institutional Plan (MIP)		Draft MIP in place	Draft MIP completed	The MIP still has to cover PMS aspects	Work in progress
KPA 2: Basic Service Delivery								
Community Well-being	MM	Community Satisfaction	Community Satisfaction Survey	300,000	Community Satisfaction Survey Report for strategic Planning	Report compiled in time for the October 2010 Strategic Session.	Budget not funded to hire a service provider	Survey was conducted in-house
		HIV/ Aids	Development of Municipal HIV/AIDS Strategy	In-house	Draft Municipal HIV/ Aids Strategy adopted by Council	Strategy not developed	Capacity not available to develop strategy	To be rolled over to the 2011/12 financial year
			Workplace HIV & AIDS Policy	In-house	Policy adopted and implemented	HIV/AIDS activities were carried out	None	

OPERATIONAL PROJECTS / INITIATIVES - ANNUAL OUTPUTS								
Strategic Objective	Responsible Directorate	Functional Area / Programme	Project Name	Total Operational Budget	End of Year Target	Actual Performance End June 2011	Challenges	Interventions
Provide, maintain and upgrade municipal assets and services	Technical	Electricity	Electricity Master Plan	900000 (Province)	Receive and submit Draft Electricity Master Plan to Council for adoption	Electricity Master Plan developed.	Project not funded	Project to be considered in the next financial year
Environmental sustainability	PD	Land Use and Housing	GIS Policy / Strategy	In-house	Draft GIS Policy / Strategy completed	Draft finalised	None	
			Land Use Management Scheme (LUMS) review	In-house	Public participated and reviewed LUMS approved by Council	LUMS approved by Council		
KPA 3: Local Economic Development								
Facilitate local economic growth and provide for mobility and access	PD	LED	Marula Product Strategy	In-house	Approved Marula Strategy	A Marula Beneficiation Feasibility study was commissioned	Need for expert knowledge	Fundraised to appoint a service provider
			Investment Attraction Plan	In-house	Approved Investment Attraction Plan	Need for specialised knowledge	Lack of funds	Rolled over to next financial year
KPA 4: Municipal Financial Viability								
Become Financial Viable	B&T	Budget and Reporting	Integrated Financial Management System (Budget)	4,000,000	Completion of 1 st phase	Procurement of service provider commenced, but the project was put on	The terms of reference had to be changed in order to reduce	Negotiations with service provider commenced.

OPERATIONAL PROJECTS / INITIATIVES - ANNUAL OUTPUTS								
Strategic Objective	Responsible Directorate	Functional Area / Programme	Project Name	Total Operational Budget	End of Year Target	Actual Performance End June 2011	Challenges	Interventions
						hold.	project cost.	
Become Financially Viable	B&T	Asset Management	Infrastructure Assets Unbundling – (electricity)	6 000 000 Unfunded	Quarterly Report as per Project Implementation Plan	Procurement of service provider commenced.	The Project was an unfunded mandate.	Funds were raised through the DBSA and project earmarked to start in July 2021
		Revenue	Data cleansing project (TAS)		Data cleansed	Project completed		

2.4.1.2 Projects Works Plan Expenditure

Table 2.14: Projects works plan expenditure

PROJECTS WORKS PLAN EXPENDITURE							
Responsible Department	Function / Sub Function	Strategic Objective	Project Name	Total Capital Budget 2010/2011	Actual Expenditure End June	Challenges	Interventions / Comments
KPA 2: Basic Service Delivery							
Parks and Open Space							
CSS	Cemeteries	Provide, maintain and upgrade municipal assets and services	Cemetery Establishment & Upgrade - Lulekani	1,000,000	75 000. 00	Expenditure was on the EIA only. There were no funds for establishment.	Project rolled over
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Extension and upgrade of Cemetery – Namakgale	1,000,000	0	There were contestations over land ownership	It was later established that the land belongs to the Municipality
CSS	Parks	Environmental sustainability	Replacement of Tractors	1,200,000	0	Procurement process (tender) done but no response from vendors. No tractors purchased	Project rolled over
Tech	Community Facilities	Provide, maintain and upgrade municipal assets and services	Cemetery Fencing - Phalaborwa, Namakgale, Lulekani	1,000,000	0	No funding	Rolled over to 2011/12
CSS	Parks	Environmental sustainability	Impala Park Upgrade (Fencing and Fields)	1,000,000	0	No funding	Rolled over to 2011/12
CSS	Parks	Environmental sustainability	Greening Limpopo Project	150 000 (Foskor funded)	150 000	High percentage of planted trees lost due to lack of proper care.	Regular audit and education done
CSS	Waste Management	Environmental sustainability	Greenest Municipality (Rehabilitation of 3 landfill sites & establishment of	1 470 000 Foskor funded & DBSA	No expenditure on the Foskor SLP funds. Expenditure was on	Landfill sites not rehabilitated since there was a need for closure licences	DEDET assisted with applications for closure licences. A Waste Recycling Feasibility Study was

PROJECTS WORKS PLAN EXPENDITURE							
Responsible Department	Function / Sub Function	Strategic Objective	Project Name	Total Capital Budget 2010/2011	Actual Expenditure End June	Challenges	Interventions / Comments
			Waste Recycling Plant)		the Waste Recycling Plant (DBSA funded)		conducted through DBSA funding.
Waste Management							
CSS	Waste Management	Provide, maintain and upgrade municipal assets and services	Replacement: Refuse Compactor DSN 256N	1,400,000	0	No funding available	Rolled over to 2011/12
CSS	Traffic and Licensing	Community Wellbeing	Replacement of 6 patrol cars	1,500,000	0	Not done due to budgetary constraints	Rolled over to 2011/12
Roads and Stormwater							
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Speed Humps - Namakgale, Lulekani, Makhushane, Mashishimale, Maseke, Matiko-Xikaya, Benfarm, Gravelotte (NDPG 01)	370,000	0	The project was not approved for funding through the NDPG. New business plans required for National Treasury to release funds.	Speed humps are being implemented on request using the Maintenance budget. Process of hiring a service provider for compilation of business plans commenced.
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Streets Paving and Stormwater Drainage - Namakgale, Lulekani and Gravelotte (NDPG 02)	4,000,000	0	The project was not approved for funding by NDPG. No business plan was in place	The project has been registered under the Rural Economic Catalytic for funding from DBSA/Treasury
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Rehabilitation of streets	500,000	500,000	None	The Project was co-funded by Foskor Mine

PROJECTS WORKS PLAN EXPENDITURE							
Responsible Department	Function / Sub Function	Strategic Objective	Project Name	Total Capital Budget 2010/2011	Actual Expenditure End June	Challenges	Interventions / Comments
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Phalaborwa Taxi Rank CDB streets rehabilitation, Bataleur street tarring, Pick-up/drop off points facilities at Grosvenor, Steyn, Park and Kiat streets (MIG 01)	2,723,808	2,778,521.60	Unavailability of specialised equipments (paver, milling machine). Slow progress by the contractor	Cessions were done to assist with cash-flow Project monitoring and inspections conducted
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Phalaborwa Upgrading of Taxi Rank Facilities (MIG 02)	100,000	0	MIS not functioning delaying project registration Awaiting approval from MIG	Project registration being done manually Project Consultant has already being appointed
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Lulekani Far East Street tarring Phase 3 (MIG 03)	1,920,000	0	Project was not approved by MIG	It has been registered as a new project.
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Tshelang Kgape – Maphuta Street Paving Phase 4 (MIG 04)	1,158,413	707,918.01	None	42% progress to date with the layer works
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Namakgale/Nyakelang street paving Phase 3 (MIG 05)	1,643,874	2,692,715.08	None	Project Completed
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Matiko Xikaya & Humulani street paving (MIG 06)	250,000	0	Delay in the Procurement process due to unforeseen circumstances. (elections, workshops)	Project Consultant appointed

PROJECTS WORKS PLAN EXPENDITURE							
Responsible Department	Function / Sub Function	Strategic Objective	Project Name	Total Capital Budget 2010/2011	Actual Expenditure End June	Challenges	Interventions / Comments
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Kurhula Streets Paving (MIG 09)	260,219	296,650.14	Designs were not approved and the budget estimates.	The Designs were discussed with the Engineer on site and new Designs have been submitted
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Phalaborwa Taxi Rank Overhead Walkway (MIG 10)	70,000	0	MIS not functioning delaying project registration Awaiting approval from MIG	Project registration was done manually -Project Consultant appointed
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Gravelotte streets paving Phase 2 (MIG 11)	2,085,986	2,539,445.18	Project Completed	None
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Makhushane Streets Paving (MIG 14)	2,719,722	2,629,937.66	Poor planning from the contractor caused delays. Cash –flow challenges	Materials were procured by using cessions Payments were paid in time by the municipality
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Selwane Street Paving (MIG 16)	200,000	0	Delay in the Procurement process due to unforeseen circumstances. (elections, workshops)	Project Consultant appointed
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Majeje Subsoil Drainage System (MIG 19)	459,241	506,397.69	none	Construction at 25% by end of financial year
Tech	Roads and Stormwater	Provide, maintain and upgrade municipal assets and services	Thepe Trust Bridge (MIG 20)	407 Technical Assistance 2,590,175,00 Construction	407 TA & 1,522,914,27 Construction	None	Construction at 40% by end of financial year. Project was started earlier than planned.

PROJECTS WORKS PLAN EXPENDITURE							
Responsible Department	Function / Sub Function	Strategic Objective	Project Name	Total Capital Budget 2010/2011	Actual Expenditure End June	Challenges	Interventions / Comments
Tech	Electricity	Provide, maintain and upgrade municipal assets and services	Installation of Solar-Based High Masts and Street Lights (NDPG 03)	5,000,000	0	Not funded by NDPG	Application to register project on MIG was done
Tech	Electricity	Provide, maintain and upgrade municipal assets and services	Electrical Infrastructure Reticulation (Town)	1,300,000	1,260,000	None	Project completed
Tech	Electricity	Provide, maintain and upgrade municipal assets and services	Upgrading of electricity from single to three phase	4,000,000	3,000,000	The Municipality had cashflow challenges as the project was funded from own funding	Project Construction ongoing by end of FY
Tech	Electricity	Provide, maintain and upgrade municipal assets and services	Electrical Infrastructure Reticulation – 860 units -Matiko-Xikaya& Biko	6,000,000	5, 000,000	Energizing by Eskom was delayed.	Energizing planned for November 2011
Eskom	Electricity	Provide, maintain and upgrade municipal assets and services	Electrical Infrastructure Reticulation – 1137 units - Humulani	6,231,000	5 820 000	None	None
Tech	Electricity	Provide, maintain and upgrade municipal assets and services	Refurbishment of substations - Phalaborwa Ext 2,3,8A & 8B substations	2,200,000	2,044,549.09	None	None
Eskom	Electricity	Provide, maintain and upgrade municipal assets and services	Electrification of 1223 Units at Ben Farm B & C	14,433,000	6,092,818	None	None

PROJECTS WORKS PLAN EXPENDITURE							
Responsible Department	Function / Sub Function	Strategic Objective	Project Name	Total Capital Budget 2010/2011	Actual Expenditure End June	Challenges	Interventions / Comments
Tech	Electricity	Provide, maintain and upgrade municipal assets and services	Installation of high mast lights and streets lights	5,100,000	112 005.00	None	Saved 55% of the escalator/chair budget
Building and Infrastructure Development							
Tech	Community Facilities	Provide, maintain and upgrade municipal assets and services	Upgrading of Namakgale Sport Precinct (NDPG 04)	6,291,663	0	Not funded by NDPG	
Tech	Community Facilities	Provide, maintain and upgrade municipal assets and services	Upgrading of Lulekani Stadium (NDPG 05)	5,000,000	0	Not funded by NDPG	Upgrading of tennis courts done through Foskor funding (SLP)
Tech	Community Facilities	Provide, maintain and upgrade municipal assets and services	Selwane TSC (NDPG 06)	1,348,966	1,348,966	None	Completed
Tech	Community Facilities	Provide, maintain and upgrade municipal assets and services	Flea Market and Rest Station (Fencing, Septic Tank & outstanding scope) (NDPG 07)	800,000	800,000	None	Completed
Tech	Community Facilities	Provide, maintain and upgrade municipal assets and services	Hawkers Facility (Maphuta Malatji Hospital) (NDPG 08)	825,100	825,100	None	Completed
Water and Sanitation							

PROJECTS WORKS PLAN EXPENDITURE							
Responsible Department	Function / Sub Function	Strategic Objective	Project Name	Total Capital Budget 2010/2011	Actual Expenditure End June	Challenges	Interventions / Comments
MDM	Water and Sanitation	Provide, maintain and upgrade municipal assets and services	Upgrading rising sewer & pump station	7,500,000	7,500,000	None	Project implemented
Tech	Water and Sanitation	Provide, maintain and upgrade municipal assets and services	Namakgale RDP & Lulekani RDP Sewer & Water Connections	750,000	0	The project was not funded	
MDM	Water and Sanitation	Provide, maintain and upgrade municipal assets and services	Matiko Xikaya waterline	1,300,000	0	Project not budgeted for by MDM	
MDM	Water and Sanitation	Provide, maintain and upgrade municipal assets and services	Benfarm, Matiko-Xikaya Bulk Supply	6,000,000	0	The project was not funded	
MDM	Water and Sanitation	Provide, maintain and upgrade municipal assets and services	Upgrade of Namakgale Sewage Works	8,700,000	MDM funded	-	Project in progress by end of financial year (implemented by MDM)
Tech	Water and Sanitation	Provide, maintain and upgrade municipal assets and services	Replacement of asbestos sewer	400,000	400,000	-	Project completed
Tech	Water and Sanitation	Provide, maintain and upgrade municipal assets and services	Honey Sucker Tanker	250,000	0	The project was not funded	

2.4.1.3 Strategic Key Performance Indicators

Table 2.15: Strategic Key Performance Indicators

Strategic Key Performance Indicators								
Strategic Objective	Programme	Programme Owner	Corporate KPI	Description of Indicator	Annual Target	Actual Performance	Challenges	Interventions / Comments
KPA 1 : Municipal Transformation and Organisational Development								
Good Governance and Institutional excellence	IDP	MM	IDP/PMS/Budget Process Plan adopted by Council by 31 August	As per due date	100%	100%	None	
			Amended IDP/PMS/Budget Process Plan adopted by Council by 31st January 2011	As per due date	100%	100%	None	
			Draft IDP tabled to Council by 31 March	As per due date	100%	100%	None	
			Draft IDP tabled to Council by 28th February 2011	As per due date	100%	100%	The Process Plan had to be amended in accordance with the provisions of MFMA Circular 54 to accommodate local Government Elections.	The Municipality opted for option one of the Circular. The 2011/12 Draft IDP was tabled to Council on the 28 th of February 2011.
			Final IDP adopted by Council by 30th April 2011	As per due date	100%	100%	Compliance with MFMA Circular 54.	The 2011/12 IDP has been adopted by Council on the 18 th of April 2011

Strategic Key Performance Indicators								
Strategic Objective	Programme	Programme Owner	Corporate KPI	Description of Indicator	Annual Target	Actual Performance	Challenges	Interventions / Comments
	SDBIP		SDBIP approved by the Mayor 28 days after adoption of the final budget	As per due date	100%	100%	None	The 2011/12 SDBIP was approved by the Mayor on the 14 th of May 2011.
	Employment Equity	Corp	% employment equity target groups employed in the three highest levels of the municipality	# employment equity target groups employed in the three highest levels of the municipality / # employment targets as per employment equity plan	100%	0%	No vacancies were filled	
	WSP		% of municipality's budget allocated to workplace skills plan	R-value budget allocated / R-value personnel budget	1%	1%	None	
KPA 2 : Basic Service Delivery								
Ensure community well-being	Community Relations Management	MM	Community satisfaction survey conducted by end December	As per due date	100%	100%	The survey commissioned by the DLGH was not conducted	Survey conducted in-house

Strategic Key Performance Indicators								
Strategic Objective	Programme	Programme Owner	Corporate KPI	Description of Indicator	Annual Target	Actual Performance	Challenges	Interventions / Comments
Provide, maintain and upgrade municipal assets and services	Free Basic Services	CFO	% indigent households with access to free basic water (# households receiving free basic water / # indigent households as %)	# indigent households receiving free basic water / # indigent households	100%	100%	-	All registered indigents were serviced
Provide, maintain and upgrade municipal assets and services	Free Basic Services	CFO	% households with access to free basic sanitation (# households receiving free basic sanitation / # indigent households as %)	# indigent households receiving free basic sanitation / # indigent households	100%	100%	-	All registered indigents were serviced
			% indigent households with access to free basic electricity (# households receiving free basic electricity / # indigent households as % as per ESKOM register)	# indigent households receiving free basic electricity as per ESKOM list / # indigent households as per ESKOM list	100%	100%	There is a challenge of applicants not collecting their tokens, but the Municipality is paying for the beneficiaries	

Strategic Key Performance Indicators								
Strategic Objective	Programme	Programme Owner	Corporate KPI	Description of Indicator	Annual Target	Actual Performance	Challenges	Interventions / Comments
			% indigent households with access to free basic waste (# households receiving free basic waste / # indigent households as %)	3 754 - All registered indigents receive free basic waste	100%	100%	-	
	Basic Services : Electricity	Tech	% households with access to electricity (PHB Town)	# households receiving electricity / # households	100%	93%	-	
	Basic Services: Waste removal	CSS	% households with access to basic waste removal	# households receiving basic waste removal / # households	74%	67%	Appointment of staff and Equipment	
KPA 3 : Local Economic Development								
Facilitate local economic growth and provide for mobility and access	Local Economic Development	PD	# of planned new investment in Ba-Phalaborwa	# planned investments	2	2		
KPA 4 : Municipal Financial Viability and Management								
Become financially viable	Budget and reporting	CFO	Draft budget tabled to Council by 31 March	As per due date	100%	100%	None	
			Final Budget adopted by Council by 31 May	As per due date	Not applicable this quarter	100%	None	

Strategic Key Performance Indicators								
Strategic Objective	Programme	Programme Owner	Corporate KPI	Description of Indicator	Annual Target	Actual Performance	Challenges	Interventions / Comments
Become financially viable	Revenue Management	CFO	% revenue collection	R-value revenue collected / R-value projected revenue collections	100%	88%	Boycotts by Rate Payers Association	Bilateral engagements instituted
	Expenditure Management	CFO	% variance in total budget expenditure (i.t.o. cash flow projections)	R-value budget expenditure / R-value projected expenditure	10%	81%	Poor revenue collection depicts low spending	Implemented revenue enhancement strategy and credit policy
			% variance in revenue received (i.t.o. cash flow projections)	R-value revenue received / R-value projected revenue	10%	9%	Boycotts by Rate Payers Association	Bilateral engagements instituted
			Percentage Capital budget actually spent on capital projects identified for financial year i.t.o. IDP (TAS)	R-value capital budget spent on capital projects / R-value capital budget	100%	40%	The Expenditure was on Conditional Grants and partially from own funding due to poor revenue collections.	
KPA 5 : Good Governance and Public Participation								
Good Governance and Institutional excellence	Auditing	MM	Unqualified audit report	Unqualified audit report	100%	80%	Disclaimer	Action Plan developed and implemented

2.4.1.4 Institutional Key Performance Indicators

Table 2.16: Institutional Key Performance Indicators

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
KPA 1 : Municipal Transformation and Organisational Development									
Good Governance and Institutional excellence	IDP	MM	% compliance to IDP/Budget/PMS Process Plan as per departmental compliance checklist	Outputs achieved against the compliance checklist	MM	100%	100%	Local government elections	Process Plan was revised and adopted by Council
			% compliance to IDP/Budget/PMS Process Plan as per departmental compliance checklist	Outputs achieved against the compliance checklist	CFO	100%	100%	Local government elections	Process Plan was revised and adopted by Council
			% compliance to IDP/Budget/PMS Process Plan as per departmental compliance checklist	Outputs achieved against the compliance checklist	Corp	100%	100%	Local government elections	Process Plan was revised and adopted by Council
			% compliance to IDP/Budget/PMS Process Plan as per departmental compliance checklist	Outputs achieved against the compliance checklist	PD	100%	100%	Local government elections	Process Plan was revised and adopted by Council
			% compliance to IDP/Budget/PMS Process Plan as per departmental compliance checklist	Outputs achieved against the compliance checklist	CSS	100%	100%	Local government elections	Process Plan was revised and adopted by Council

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			compliance checklist						
			% compliance to IDP/Budget/PMS Process Plan as per departmental compliance checklist	Outputs achieved against the compliance checklist	Tech	100%	100%	Local government elections	Process Plan was revised and adopted by Council
			Financial information for inclusion in the SDBIP submitted to the relevant department 7 days after adoption of the budget	As per due date	CFO	100%	100%		Achieved
			Reviewed departmental SDBIP submitted to SPIM by end February	As per due date	MM	100%	100%	A lot of projects in the SDBIP were rolled over to the next FY due to inadequate funds	Reprioritisation of projects was conducted
Good Governance and Institutional excellence	SDBIP	MM	Reviewed departmental SDBIP submitted to SPIM by end February	As per due date	CFO	100%	100%	A lot of projects in the SDBIP were rolled over to the next FY due to inadequate funds	Reprioritisation of projects was conducted
			Reviewed departmental SDBIP submitted to SPIM by end February	As per due date	Corp	100%	100%	A lot of projects in the SDBIP were rolled over to the next FY due to inadequate funds	Reprioritisation of projects was conducted

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			Reviewed departmental SDBIP submitted to SPIM by end February	As per due date	MM	100%	100%	A lot of projects in the SDBIP were rolled over to the next FY due to inadequate funds	Reprioritisation of projects was conducted
			Reviewed departmental SDBIP submitted to SPIM by end February	As per due date	CSS	100%	100%	A lot of projects in the SDBIP were rolled over to the next FY due to inadequate funds	Reprioritisation of projects was conducted
			Reviewed departmental SDBIP submitted to SPIM by end February	As per due date	Tech	100%	100%	A lot of projects in the SDBIP were rolled over to the next FY due to inadequate funds	Reprioritisation of projects was conducted
	Employment Equity	Corp	Employment Equity report submitted to LG SETA by end October	As per due date	Corp	100%	100%		
	Organogram		% annual review of organogramme	Annually reviewed	Corp	100%	0%		
	Personnel Provisioning		% vacancies filled (TAS - 196 vacancies to be halved by Dec 2010)	196 vacancies to be halved by December 2010	Corp	50%	19.4%	Appointed 38	High salary bill
			% advertised posts filled within three months of close of advertisement	# posts filled within three months of advertisement / # post advertised	Corp	100%	88,25%	Four remained vacant	Four other posts will be filled in 2011/12 fy

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
	Labour Relations		% functionality of Local Labour Forum (TAS)	# meetings conducted / # meetings planned	Corp	100%	95%	Some LLF members could not attend meetings due to engagements in other council businesses	Strict adherence to the annual roster
Municipal Transformation and Organizational Development	Organisational Performance Management	MM	% Quarterly audited performance reports submitted to Council	# audited performance reports submitted to council / # audited performance reports	MM	100%	100%		
			% calculators and portfolio of evidence submitted to Internal Audit within 7 days of beginning of next quarter	As per due date	MM	100%	100%		
			% calculators and portfolio of evidence submitted to Internal Audit within 7 days of beginning of next quarter	As per due date	CFO	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (S57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
Municipal Transformation and Organizational Development			% calculators and portfolio of evidence submitted to Internal Audit within 7 days of beginning of next quarter	As per due date	Corp	100%	100%		
			% calculators and portfolio of evidence submitted to Internal Audit within 7 days of beginning of next quarter	As per due date	PD	100%	100%		
	Organisational Performance Management	MM	% calculators and portfolio of evidence submitted to Internal Audit within 7 days of beginning of next quarter	As per due date	CSS	100%	100%		
	Employee Performance Management		% S56 staff with signed performance agreements by end July (TAS)	# S56 staff with signed performance agreements / # S56 staff	MM	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (S57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			# formal assessment (S57) (TAS)	# formal assessments conducted / # formal assessments planned	MM	2	Formal Assessments for S57 Managers were conducted in February 2011 and to be conducted again in August as per schedule	The term of office of the district wide audit committee expired and no new committee was inaugurated by the end of the financial year.	
		Corp	# departmental employee assessments	# departmental employee assessments conducted / # departmental employee assessments planned	MM	3	3	None	End of year assessments earmarked for August 2011
			# departmental employee assessments	# departmental employee assessments conducted / # departmental employee assessments planned	Corp	3	3		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			# departmental employee assessments	# departmental employee assessments conducted / # departmental employee assessments planned	CSS	3	3		
			# departmental employee assessments	# departmental employee assessments conducted / # departmental employee assessments planned	CFO	3	3		
			# departmental employee assessments	# departmental employee assessments conducted / # departmental employee assessments planned	Tech	3	3		
Municipal Transformation and Organizational Development	Employee Performance Management	Corp	# departmental employee assessments	# departmental employee assessments conducted / # departmental employee assessments planned	PD	3	3		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
	WSP		% compliance to skills development plan	# training conducted / # training planned according to SDP as %	Corp	100%	24%	Financial constraints	Include the unimplemented trainings to the 2011-12 WSP during review
KPA 2 : Basic Service Delivery									
Ensure community well-being	Libraries	CSS	% complaints and queries with regard to libraries addressed	# complaints addressed / # complaints received	CSS	100%	100%		
	Traffic and Licensing		% Compliance to K53 system to maintain A Grade (Per Compliance Checklist)	As per compliance checklist	CSS	100%	100%		
			% Compliance of SANS code (O26, O219) for road worthy testing to maintain A Grade (Per Compliance Checklist)	As per compliance checklist	CSS	100%	100%		
Provide, maintain and upgrade municipal assets and services	Project Management	MM	% projects started on time	# projects started on time / # projects	MM	80%	80%		
		CFO	% projects started on time	# projects started on time / # projects	CFO	80%	80%		
		Corp	% projects started on time	# projects started on time / # projects	Corp	80%	40%	Cashflow affected projects	IT projects have been moved to 2011/12 fy

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
								implementation	
		CSS	% projects started on time	# projects started on time / # projects	CSS	80%	40%	Delays in procurement process	Review Supply Chain Policy
Provide, maintain and upgrade municipal assets and services	Project Management	PD	% projects started on time	# projects started on time / # projects	PD	80%	80%		
		Tech	% projects started on time	# projects started on time / # projects	Tech	80%	80%		
		MM	% of projects achieving milestones within timeframes determined in the SDBIP	# projects achieving milestones / # projects	MM	80%	80%		
		CFO	% of projects achieving milestones within timeframes determined in the SDBIP	# projects achieving milestones / # projects	CFO	80%	80%		
		Corp	% of projects achieving milestones within timeframes determined in the SDBIP	# projects achieving milestones / # projects	Corp	80%	40%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
		CSS	% of projects achieving milestones within timeframes determined in the SDBIP	# projects achieving milestones / # projects	CSS	80%	40%		
		PD	% of projects achieving milestones within timeframes determined in the SDBIP	# projects achieving milestones / # projects	PD	80%	80%		
		Tech	% of projects achieving milestones within timeframes determined in the SDBIP	# projects achieving milestones / # projects	Tech	80%	80%		
		MM	% projects implemented within SDBIP budget projections	R-value expenditure / R-value budget projections	MM	80%	80%		
Provide, maintain and upgrade municipal assets and services	Project Management	CFO	% projects implemented within SDBIP budget projections	R-value expenditure / R-value budget projections	CFO	80%	80%		
		Corp	% projects implemented within SDBIP budget projections	R-value expenditure / R-value budget projections	Corp	80%	80%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
		CSS	% projects implemented within SDBIP budget projections	R-value expenditure / R-value budget projections	CSS	80%	80%		
		PD	% projects implemented within SDBIP budget projections	R-value expenditure / R-value budget projections	PD	80%	80%		
		Tech	% projects implemented within SDBIP budget projections	R-value expenditure / R-value budget projections	Tech	80%	80%		
		MM	% of projects (SDBIP operational and capital) complying to tender specifications and standards	# projects complying to specifications / # projects	MM	80%	80%		
		CFO	% of projects (SDBIP operational and capital) complying to tender specifications and standards	# projects complying to specifications / # projects	CFO	80%	80%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
		Corp	% of projects (SDBIP operational and capital) complying to tender specifications and standards	# projects complying to specifications / # projects	Corp	80%	80%		
Provide, maintain and upgrade municipal assets and services	Project Management	CSS	% of projects (SDBIP operational and capital) complying to tender specifications and standards	# projects complying to specifications / # projects	CSS	80%	80%		
		PD	% of projects (SDBIP operational and capital) complying to tender specifications and standards	# projects complying to specifications / # projects	PD	80%	80%		
		Tech	% of projects (SDBIP operational and capital) complying to tender specifications and standards	# projects complying to specifications / # projects	Tech	80%	80%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
	Indigent Management	CFO	% applications for indigent support verified	% applications for indigent support verified (# applications received / # applications checked as %)	CFO	100%	100%		
	Basic Services: Electricity	Tech	% new electricity connections installed within one month from application	# new connections / # applications as %	Tech	100%	100%		
	Basic Services: Waste removal	CSS	# households receiving refuse removed at least once a week	# households receiving basic waste removal / # households	CSS	25 226	22 553		
	Maintenance: Electricity	Tech	% electricity maintenance conducted according to maintenance plan	Achievement according to maintenance plan	Tech	100%	90%	Shortage of resources for streetlights (cherry picker)	Cherry picker budgeted for 2011/12
	Roads and Storm water		Kms of roads to be upgraded	# Kms upgraded / # Kms upgrade planned	Tech	5	4.5	One project was put on hold due the design (1.3km in Kurhula)	The Design has been rectified it will be implemented
Provide, maintain and upgrade municipal assets and services	Maintenance: Roads and Storm water	Tech	% roads and storm water drainage maintenance conducted according to maintenance plan	Achievement against maintenance plan	Tech	100%	80%	Damages due to heavy rains Availability of machinery (breakdowns) Procurement plan not being followed -Ageing	Prioritising of hotspots We are awaiting a grader from MDM Small capital projects to be implemented Rehabilitation of Roads

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
								Infrastructure	
	Maintenance of Water and Sanitation		% water and sanitation maintenance conducted according to maintenance plan	Achievement according to maintenance plan	Tech	100%	100%		
Environmental sustainability	Environmental management	CSS	% landfill projects in compliance & adherence to closure certificate specifications (rehabilitation)	# projects in compliance / # projects	CSS	100%	50%	Namakgale needs a closure certificate	DEDET exempted the Municipality from acquiring a closure certificate for Lulekeni landfill site.
			% of environmental and resource management plans in place (as per Regulations)	# plans in place / # plans	CSS	100%	40%	Lack of funds to commission the development of an Environmental Management Plan	State of environment report in place
	Disaster Management	MM	% disaster preventative measures implemented (per disaster management strategy)	# measures implemented per disaster management strategy / # measures per disaster management strategy	MM	100%	100%		
	Spatial Development Planning	PD	% land use applications (excl rezoning) approved by Council aligned to SDF and LUMS (As	# land use applications approved / # land use application received	PD	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			per Alignment checklist)						
			% rezoning applications approved by Council aligned to the SDF & LUMS (as per Alignment Checklist)	# rezoning applications approved / # rezoning applications received	PD	100%	100%		
KPA 3 : Local Economic Development									
Facilitate local economic growth and provide for mobility and access	Local Economic Development	PD	% budgeted projects implemented i.t.o LED Strategy	# budgeted projects implemented i.t.o LED Strategy / # budgeted projects	PD	100%	100%		
Facilitate local economic growth and provide for mobility and access	Local Economic Development	PD	# jobs created through municipal LED	# jobs created against target	PD	200	302		
			# jobs created through municipal Capital projects (EPWP)	# jobs created against target	Tech	121	260		
KPA 4 : Municipal Financial Viability and Management									
Become financially viable	Budget and reporting	CFO	Financial Statements submitted to AG by 31 August	As per due date	MM	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% Annual Financial Statements compiled and submitted by 31 August	As per due date	CFO	100%	100%		
	Budget and reporting	CFO	% reports submitted in terms of MFMA (TAS)	Achievement according to reporting timetable	CFO	100%	100%		
			% compliance to MFMA implementation plan	Achievement against MFMA Implementation plan	CFO	100%	100%		
		MM	Performance report submitted with financial statements to AG by 31 August	As per due date	PD	100%	100%		
Become financially viable	Budget and reporting	CFO	Annual report submitted to municipal manager by end December	As per due date	PD	100%	100%		
		MM	Annual report tabled to Council by end January	As per due date	MM	100%	100%		
			Oversight Report tabled to Council by end March	As per due date	MM	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
	Revenue Management	CFO	% outstanding service debtors	R252928667 / 154 712 246 (163%)(total outstanding service debtors divided by annual revenue actually received for services)	CFO	National Indicator - Annual target 130% R299,759,097/ R230,637,000 X100/1			
			R-value collection from billings / R-value billed as %	R-value billed revenue collected / R-value billed revenue	CFO	100%	62%	Boycotts by RPA and culture of non-payment by consumers	
			% achievement of targets pre 2010 in Revenue Enhancement Strategy (TAS)	Achievement according to targets	MM	100%	80%		
			% achievement of targets pre 2010 in Revenue Enhancement Strategy (TAS)	Achievement according to targets	CFO	100%	80%		
			% achievement of targets pre 2010 in Revenue Enhancement Strategy (TAS)	Achievement according to targets	Corp	100%	80%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% achievement of targets pre 2010 in Revenue Enhancement Strategy (TAS)	Achievement according to targets	Tech	100%	80%		
Become financially viable	Revenue Management	CFO	% achievement of targets pre 2010 in Revenue Enhancement Strategy (TAS)	Achievement according to targets	CSS	100%	80%		
			% achievement of targets pre 2010 in Revenue Enhancement Strategy (TAS)	Achievement according to targets	PD	100%	80%		
			% review revenue enhancement strategies	Strategies reviewed	CFO	100%	80%		
	Expenditure Management		Debt coverage ratio	(R-value total operating revenue received minus R-value operating grants divided by R-value debt service payments) R137 280 044.00 - R46 531 507.00 / R90 748 537.00	CFO	100%	57%	Inadequate revenue collection	The challenge is the boycotts by RPA and also the culture of non-payment.
			% operational budget variance per directorate	R-value budget spent / R-value budget	MM	10%	45%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% operational budget variance per directorate	R-value budget spent / R-value budget	Corp	10%	31%		
			% operational budget variance per directorate	R-value budget spent / R-value budget	CFO	10%	56%		
			% operational budget variance per directorate	R-value budget spent / R-value budget	PD	10%	0%	No information	
			% operational budget variance per directorate	R-value budget spent / R-value budget	CSS	10%	35%		
			% operational budget variance per directorate	R-value budget spent / R-value budget	Tech	10%	55%		
			% MIG expenditure	R-value MIG budget spent / R-value projected spending	Tech	100%	100%		
Become financially viable	Expenditure Management	CFO	% NDPG expenditure	R-value NDPG budget spent / R-value NDPG budget	Tech	100%	0	NDPG projects not implemented due to lack of funds	
			% NDPG payment made on time	# NDPG payments made / # NDPG invoices received	CFO	100%	167%	No monies received for NDPG hence the municipality continued to expense on projects.	
			% overtime spent not budgeted for	R-value overtime spent / R-value overtime budget	MM	0%	0%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% overtime spent not budgeted for	R-value overtime spent / R-value overtime budget	Corp	0%	0%		
			% overtime spent not budgeted for	R-value overtime spent / R-value overtime budget	CSS	0%	0%		
			% overtime spent not budgeted for	R-value overtime spent / R-value overtime budget	CFO	0%	0%		All overtime spent is per MM approval
			% overtime spent not budgeted for	R-value overtime spent / R-value overtime budget	Tech	0%	0%		
			% overtime spent not budgeted for	R-value overtime spent / R-value overtime budget	PD	0%	0%		
			% maintenance budget spent (R-value budget allocated for maintenance / R-value maintenance budget spent) (TAS)	R-value maintenance budget spent / R-value maintenance budget	CFO	100%	100%		All overtime spent is per MM approval
			% creditor payments within 30 days after date of receipt of invoice	# creditor payments within 30 days after date of receipt of invoice / # invoices received	CFO	100%	95%	Cash flow problems	

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
	Supply Chain		% tenders adjudicated within 60 days of close of tender	# tenders adjudicated within 60 days after close of tender / # tenders closed	CFO	100%	100%		
			% implementation procurement priorities in terms of SCM priorities	Implementation against SCM priorities	MM	100%	100%		
			% implementation procurement priorities in terms of SCM priorities	Implementation against SCM priorities	CFO	100%	100%	Inadequate revenue collection limited procurement.	
Become financially viable	Supply Chain	CFO	% implementation procurement priorities in terms of SCM priorities	Implementation against SCM priorities	Corp	100%	100%		
			% implementation procurement priorities in terms of SCM priorities	Implementation against SCM priorities	CSS	100%	100%		
			% implementation procurement priorities in terms of SCM priorities	Implementation against SCM priorities	PD	100%	100%		
			% implementation procurement priorities in terms of SCM priorities	Implementation against SCM priorities	Tech	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% implementation of Internal Audit recommendations on SCM (TAS)	# Internal Audit recommendations implemented / # Internal Audit recommendations	CFO	100%	100%		
	Asset Management		% GRAP compliant asset register	Achievement against compliance checklist	CFO	100%	75%		Unbundling of electricity assets will be conducted in July- Aug 2011
			% variance from asset register	# assets verified / # assets on register	CFO	0%	0%		
			% assets unaccounted for	# assets unaccounted on inventory list / # assets on inventory list	MM	0%	0%		
			% assets unaccounted for	# assets unaccounted on inventory list / # assets on inventory list	CFO	0%	0%		
			% assets unaccounted for	# assets unaccounted on inventory list / # assets on inventory list	Corp	0%	0%		
			% assets unaccounted for	# assets unaccounted on inventory list / # assets on inventory list	CSS	0%	0%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
Become financially viable	Asset Management	CFO	% assets unaccounted for	# assets unaccounted on inventory list / # assets on inventory list	PD	0%	0%		
			% assets unaccounted for	# assets unaccounted on inventory list / # assets on inventory list	Tech	0%	0%		
KPA 5 : Good Governance and Public Participation									
Develop effective and sustainable stakeholder relationships	Cooperative Governance: Fora	CSS	# of transport forum meetings held (ytd)	# of transport forum meetings held (ytd)	CSS	4	2		
		MM	% attendance of Technical Cluster meeting per invitation	# meetings attended / # meetings invited to	MM	100%	100%		Meetings attended upon receipt of invitation
		CFO	% attendance of Technical Cluster meeting per invitation	# meetings attended / # meetings invited to	CFO	100%	100%		Meetings attended upon receipt of invitation
		Corp	% attendance of Technical Cluster meeting per invitation	# meetings attended / # meetings invited to	Corp	100%	100%		Meetings attended upon receipt of invitation

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
		CSS	% attendance of Technical Cluster meeting per invitation	# meetings attended / # meetings invited to	CSS	100%	100%		Meetings attended upon receipt of invitation
		PD	% attendance of Technical Cluster meeting per invitation	# meetings attended / # meetings invited to	PD	100%	100%		Meetings attended upon receipt of invitation
		Tech	% attendance of Technical Cluster meeting per invitation	# meetings attended / # meetings invited to	Tech	100%	100%		Meetings attended upon receipt of invitation
	Cooperative Governance: IGR	MM	% attendance of District IGR Forum	# meetings attended / # meetings invited to	MM	100%	100%		
Develop effective and sustainable stakeholder relationships	Cooperative Governance: IGR	MM	% attendance of District IGR Forum	# meetings attended / # meetings invited to	Corp	100%	100%		
			% attendance of District IGR Forum	# meetings attended / # meetings invited to	CFO	100%	100%		CFOs' Forum
			% attendance of District IGR Forum	# meetings attended / # meetings invited to	PD	100%	100%		
			% attendance of District IGR Forum	# meetings attended / # meetings invited to	Tech	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% attendance of District IGR Forum	# meetings attended / # meetings invited to	CSS	100%	100%		
			% IGR Resolutions Implemented	# resolutions implemented / # resolutions	MM	100%	100%		
			% IGR Resolutions Implemented	# resolutions implemented / # resolutions	Corp	100%	100%		
			% IGR Resolutions Implemented	# resolutions implemented / # resolutions	CFO	100%	100%		
			% IGR Resolutions Implemented	# resolutions implemented / # resolutions	PD	100%	100%		
			% IGR Resolutions Implemented	# resolutions implemented / # resolutions	Tech	100%	100%		
			% IGR Resolutions Implemented	# resolutions implemented / # resolutions	CSS	100%	100%		
			% Technical Committee resolutions implemented	# resolutions implemented / # resolutions	MM	100%	100%		
		Corp	% Technical Committee resolutions implemented	# resolutions implemented / # resolutions	Corp	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
Develop effective and sustainable stakeholder relationships	Cooperative Governance: IGR	CFO	% Technical Committee resolutions implemented	# resolutions implemented / # resolutions	CFO	100%	100%		
		PD	% Technical Committee resolutions implemented	# resolutions implemented / # resolutions	PD	100%	100%		
		Tech	% Technical Committee resolutions implemented	# resolutions implemented / # resolutions	Tech	100%	100%		
		CSS	% Technical Committee resolutions implemented	# resolutions implemented / # resolutions	CSS	100%	100%		
	Cooperative Governance: Portfolio Committees	Tech	% of Finance Portfolio Committee agendas and items sent 24 hours before meeting	# times agenda sent within 24 hours of meeting	CFO	100%	100%		
			% Technical Portfolio Committee Agendas sent out 24 hours before meeting	# times agenda sent within 24 hours of meeting	Tech	100%	100%		
			% Technical Portfolio Committee minutes compiled 2 days	# times minutes compiled within 2 days after meeting / #	Tech	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			after meeting	meetings					
		CSS	% Community Services Portfolio Committee Agendas sent out 24 hours before meeting	# times agenda sent within 24 hours of meeting	CSS	100%	100%		
			% Community Services Portfolio Committee Minutes compiled within 2 days after meeting	# times minutes compiled within 2 days after meeting / # meetings	CSS	100%	100%		
		Corp	% Governance and Administration Portfolio Committee Agendas sent out 24 hours before meeting	# times agenda sent within 24 hours of meeting	Corp	100%	100%		
Develop effective and sustainable stakeholder relationships	Cooperative Governance: Portfolio Committees	Corp	% Governance and Administration Portfolio Committee minutes compiled within two days after meeting	# times minutes compiled within 2 days after meeting / # meetings	Corp	100%	100%		
		PD	% Strategic Planning and Information Management Portfolio Committee Agenda	# times agenda sent within 24 hours of meeting	PD	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			sent out 24 hours before meeting						
			% Strategic Planning and Information Management Portfolio Committee minutes compiled within 2 days after meeting	# times minutes compiled within 2 days after meeting / # meetings	PD	100%	100%		
	Cooperative Governance: Imbizos	MM	% of municipal related issues raised during the Izimbizo resolved	# issues raised resolved / # issues raised	MM	100%	80%	Issues that did not fall within the powers and functions of the Municipality could not be resolved. Other relevant issues that needed budget were only noted for further investigations and possible inclusion in the IDP	
			% of municipal related issues raised during the Izimbizo resolved	# issues raised resolved / # issues raised	B&T	100%	80%	Issues that did not fall within the powers and functions of the Municipality could not be resolved. Other relevant issues that needed budget were only noted for further	

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
								investigations and possible inclusion in the IDP	
			% of municipal related issues raised during the Izimbizo resolved	# issues raised resolved / # issues raised	Corp	100%	80%	Issues that did not fall within the powers and functions of the Municipality could not be resolved. Other relevant issues that needed budget were only noted for further investigations and possible inclusion in the IDP	
			% of municipal related issues raised during the Izimbizo resolved	# issues raised resolved / # issues raised	CSS	100%	100%	Issues that did not fall within the powers and functions of the Municipality could not be resolved. Other relevant issues that needed budget were only noted for further investigations and possible inclusion in the IDP	
			% of municipal related issues raised during the Izimbizo resolved	# issues raised resolved / # issues raised	PD	100%	100%	Issues that did not fall within the powers and functions of the	

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
								Municipality could not be resolved. Other relevant issues that needed budget were only noted for further investigations and possible inclusion in the IDP	
Develop effective and sustainable stakeholder relationships	Cooperative Governance: Imbizos	MM	% of municipal related issues raised during the Izimbizo resolved	# issues raised resolved / # issues raised	Tech	100%	80%	Issues that did not fall within the powers and functions of the Municipality could not be resolved. Other relevant issues that needed budget were only noted for further investigations and possible inclusion in the IDP	
	Cooperative Governance: Ward Committees		% issues raised at ward committees meetings processed through Portfolio Committees (TAS)	Issues of ward committees identified in reports referred to different departments	MM	100%	100%		
	Complaints Management		% complaints tracked and reported on three weekly after Public Participation	# complaints tracked and reported on three weekly basis / #	MM	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			Meetings (TAS)	complaints received					
		Corp	% complaints followed up on three weekly basis (TAS)	# complaints followed up on three weekly basis / # complaints received	Corp	100%	100%		
			% Complaints relevant to department attended to within 5 days of receipt	# complaints attended to within 5 days of receipt / # complaints received	MM	100%	100%		
			% Complaints relevant to department attended to within 5 days of receipt	# complaints attended to within 5 days of receipt / # complaints received	CFO	100%	100%		
			% Complaints relevant to department attended to within 5 days of receipt	# complaints attended to within 5 days of receipt / # complaints received	Corp	100%	100%		
			% Complaints relevant to department attended to within 5 days of receipt	# complaints attended to within 5 days of receipt / # complaints received	PD	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% Complaints relevant to department attended to within 5 days of receipt	# complaints attended to within 5 days of receipt / # complaints received	CSS	100%	100%		
			% Complaints relevant to department attended to within 5 days of receipt	# complaints attended to within 5 days of receipt / # complaints received	Tech	100%	100%		
Develop effective and sustainable stakeholder relationships	Service Standards	Corp	% service standard relevant to department reviewed/developed	# service standard reviewed / # service standards	MM	100%	100%		
			% service standard relevant to department reviewed/developed	# service standard reviewed / # service standards	CFO	100%	100%		
			% service standard relevant to department reviewed/developed	# service standard reviewed / # service standards	Corp	100%	100%		
			% service standard relevant to department reviewed/developed	# service standard reviewed / # service standards	CSS	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% service standard relevant to department reviewed/developed	# service standard reviewed / # service standards	PD	100%	100%		
			% service standard relevant to department reviewed/developed	# service standard reviewed / # service standards	Tech	100%	100%		
Good Governance and Institutional excellence	Auditing	MM	% AG recommendations for previous AG report cleared	# AG recommendations for previous AG Report Cleared / # AG recommendations	MM	100%	100%		
			% AG recommendations for previous AG report cleared	# AG recommendations for previous AG Report Cleared / # AG recommendations	CFO	100%	100%		Proposed Journal prepared
Good Governance and Institutional excellence	Auditing	MM	% AG recommendations for previous AG report cleared	# AG recommendations for previous AG Report Cleared / # AG recommendations	Corp	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% AG recommendations for previous AG report cleared	# AG recommendations for previous AG Report Cleared / # AG recommendations	PD	100%	100%		
			% AG recommendations for previous AG report cleared	# AG recommendations for previous AG Report Cleared / # AG recommendations	CSS	100%	100%		
			% AG recommendations for previous AG report cleared	# AG recommendations for previous AG Report Cleared / # AG recommendations	Tech	100%	100%		
			% issues raised and addressed during the last AG report	# issues addressed / # issues raised	MM	100%	90%		
			% issues raised and addressed during the last AG report	# issues addressed / # issues raised	CFO	100%	90%	Awaiting for AG to audit work done	Proposed Journal are prepared

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
Good Governance and Institutional excellence	Auditing	MM	% issues raised and addressed during the last AG report	# issues addressed / # issues raised	Corp	100%	100%		
			% issues raised and addressed during the last AG report	# issues addressed / # issues raised	PD	100%	100%		
			% issues raised and addressed during the last AG report	# issues addressed / # issues raised	CSS	100%	100%		
			% issues raised and addressed during the last AG report	# issues addressed / # issues raised	Tech	100%	100%		
			% compliance to annual internal audit plan	Achievement against internal audit plan	MM	100%	100%		
			% recurring audit queries (TAS)	# recurring audit queries / # audit queries	MM	0%			Awaiting for 2011 audit outcome
			% recurring audit queries (TAS)	# recurring audit queries / # audit queries	CFO	0%			Awaiting for 2011 audit outcome
			% recurring audit queries (TAS)	# recurring audit queries / # audit queries	Corp	0%	0%		
			% recurring audit queries (TAS)	# recurring audit queries / # audit queries	Tech	0%	0%		
			% recurring audit queries (TAS)	# recurring audit queries / # audit queries	PD	0%	0%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% recurring audit queries (TAS)	# recurring audit queries / # audit queries	CSS	0%	0%		
	Internal auditing		% internal audit recommendations implemented	# recommendations implemented / # recommendations	MM	100%	100%		
			% internal audit recommendations implemented	# recommendations implemented / # recommendations	CFO	100%	100%	None	All internal audit recommendations are implemented
Good Governance and Institutional excellence	Internal auditing	MM	% internal audit recommendations implemented	# recommendations implemented / # recommendations	Corp	100%	0%		
			% internal audit recommendations implemented	# recommendations implemented / # recommendations	PD	100%	100%		
			% internal audit recommendations implemented	# recommendations implemented / # recommendations	CSS	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
	Risk Management		% internal audit recommendations implemented	# recommendations implemented / # recommendations	Tech	100%	100%		
			% identified new risks mitigated	# new risks mitigated / # new risks identified	MM	100%	100%		
			% identified new risks mitigated	# new risks mitigated / # new risks identified	CFO	100%	100%		
			% identified new risks mitigated	# new risks mitigated / # new risks identified	Corp	100%	100%		
			% identified new risks mitigated	# new risks mitigated / # new risks identified	PD	100%	100%		
			% identified new risks mitigated	# new risks mitigated / # new risks identified	CSS	100%	100%		
			% identified new risks mitigated	# new risks mitigated / # new risks identified	Tech	100%	100%		
			% recurring risks identified	# recurring risks / # risks	MM	0%	90%		
			% recurring risks identified	# recurring risks / # risks	CFO	0%	90%		
			% recurring risks identified	# recurring risks / # risks	Corp	0%	90%		
			% recurring risks identified	# recurring risks / # risks	PD	0%	90%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% recurring risks identified	# recurring risks / # risks	CSS	0%	90%		
Good Governance and Institutional excellence	Risk Management	MM	% recurring risks identified	# recurring risks / # risks	Tech	0%	90%		
	Fraud and anti-corruption		% of fraud and anti-corruption cases successfully dealt with	# of cases successfully dealt with / # cases reported	MM	100%	50%	Of the four cases reported one case awaiting judgement and another case at labour court for a review	
			% cases identified and reported to accounting officer	# cases reported / # cases identified	MM	100%	100%		
			% cases identified and reported to accounting officer	# cases reported / # cases identified	CFO	100%	100%		
			% cases identified and reported to accounting officer	# cases reported / # cases identified	Corp	100%	100%		
			% cases identified and reported to accounting officer	# cases reported / # cases identified	PD	100%	100%		
			% cases identified and reported to accounting officer	# cases reported / # cases identified	CSS	100%	100%		
			% cases identified and reported to accounting officer	# cases reported / # cases identified	Tech	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
	Executive Committee	Corp	% scheduled Executive Committee meetings held	# meetings held / # meetings planned	Corp	100% (3 meetings per quarter)	100% (3 meetings per quarter -12 per annum)	10 ordinary and 6 special meetings held	
	Council Management	Corp	% council meetings according to annual programme	# meetings held / # meetings planned	Corp	100%	100%	6 ordinary and 6 special meetings held	
Good Governance and Institutional excellence	Steering Committee Meeting	MM	% functionality of IDP Steering Committee	# meetings held / # meetings planned	MM	100%	100%		
			% functionality of Budget Steering Committee	# meetings held / # meetings planned	CFO	100%	100%		
	Resolutions implementation		% Council resolutions related to relevant directorate implemented within specified timeframes	# resolutions implemented / # resolutions	MM	100%	100%		
			% Council resolutions related to relevant directorate implemented within specified timeframes	# resolutions implemented / # resolutions	PD	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% Council resolutions related to relevant directorate implemented within specified timeframes	# resolutions implemented / # resolutions	Corp	100%	100%		
			% Council resolutions related to relevant directorate implemented within specified timeframes - B & T	# resolutions implemented / # resolutions	CFO	100%	100%		
			% Council resolutions related to relevant directorate implemented within specified timeframes	# resolutions implemented / # resolutions	Tech	100%	100%		
			% Council resolutions related to relevant directorate implemented within specified timeframes - CSS	# resolutions implemented / # resolutions	CSS	100%	100%		
			% Council resolutions related to relevant directorate implemented	# resolutions implemented / # resolutions	PD	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			within specified timeframes						
Good Governance and Institutional excellence	Policy development	Corp	% identified new policies developed	SCM -Fleet Management PolicyRevenue - Deposit policy	CFO	2	1 - SCM - Fleet Management Policy		The Revenue Deposit Policy was reviewed
			% Budget Related policies reviewed	(14 Policies)	CFO	100%	100%		
			% policies adopted by Council	# of policies adopted / # policies (HRM, Admin and IT policies)	Corp	100%	25%	The non sitting of LLF meeting	The other 3 on consultation stage with Unions
			% new and reviewed policies adopted by Council	# new and reviewed policies adopted by council / # new and reviewed policies	CFO	100%	100%		All policies were developed in the 3rd Quarter and approved in the 4th Quarter_ April 2011
			% new and reviewed policies adopted by Council	# new and reviewed policies adopted by council / # new and reviewed policies	Corp	100%	100%		
	By-law development		% of new by-laws developed	# new by-laws developed / # new by-laws identified	Corp	100%	100%		

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% identified new By-laws developed	Roads and Road Reserve By-law	Tech	100%	0%		The by-law will be done in 2011/12 FY
Good Governance and Institutional excellence	By-law development	Corp	% Budget Related by-laws reviewed	3 / 3 By-laws (Review Credit control, debt collection and consumer care By-law)	CFO	100%	100%		
	Delegation of powers	MM	% delegation of powers between Council and Administration reviewed (TAS)	Reviewed delegation of powers	MM	100%	100%		
	Legal Services	Corporate	% successful cases litigated	# cases successfully litigated / # cases	Corp	100%	76%	Five cases still pending	21 cases considered and only 16 resolved
	MunAdmin System management		% correspondence on MunAdmin system attended to within 5 working days	Achieved within timeframe	MM	100%	0%	The System not functional	
			% correspondence on MunAdmin system attended to within 5 working days	Achieved within timeframe	CFO	100%	0%	System not functional	System needs to be installed and training be conducted
			% correspondence on MunAdmin system attended to within 5 working days	Achieved within timeframe	Corp	100%	0%	System not functional	System needs to be installed and training be conducted

Institutional Key Performance Indicators									
Strategic Objective	Programme	Programme Owner	Institutional KPI (\$57)	Description of Indicator	KPI Owner	Annual Target	Actual Performance End June 2011	Challenges	Initiatives / Comments
			% correspondence on MunAdmin system attended to within 5 working days	Achieved within timeframe	PD	100%	0%	System not functional	System needs to be installed and training be conducted
			% correspondence on MunAdmin system attended to within 5 working days	Achieved within timeframe	CSS	100%	0%	System not functional	System needs to be installed and training be conducted
			% correspondence on MunAdmin system attended to within 5 working days	Achieved within timeframe	Tech	100%	0%	System not functional	System needs to be installed and training be conducted
	Information Technology		% qualifying employees with access to IT	# qualifying employees with access to IT / # qualifying employees	Corp	100%	100%		

2.5 Organisational Development Performance

This section of the annual performance report gives an account on the organisational development performance with regard to municipal workforce. Attention is paid to the extent to which the Municipality managed the municipal workforce, how it capacitated the workforce, and finally how it managed municipal expenditure.

2.5.1 The Municipal Workforce

The total workforce in the 2010/11 financial year averaged **401**, with blacks constituting **94.8%** of the workforce. **64** new staff members were recruited whilst **13** left the employ of the Municipality. **No persons** with disabilities were appointed to nor terminated from the service of the municipality. The Municipality **did not have a foreign national** employed by Council in the financial year. A total of **282** positions were not filled and therefore accounted for as vacant positions. The tables below give detailed accounts of the municipal workforce in the year ended 30 June 2011:

2.5.1.1 Municipal Employees by Race

The table below shows workforce distribution according to race groups in the 2010/11 financial year.

Table 2.17: Workforce distribution according to race groups

Race Group	Number	Percentage of Workforce
Blacks	379	94, 5
Whites	22	5, 5
Indians/Asians	0	0
Coloureds	0	0
Total	401	100

2.5.1.2 Employees Recruited

Recruitments in the 2010/11 financial year were mainly in post levels 8 and 17. There were no disabled persons recruited in the 2010/11 financial year.

2.5.1.3 Staff Turnover

The Municipality's staff turnover rate was at 3.2% for the financial year. The following formula was used to calculate the employee turnover rate for the year ended 30 June 2011:

$$\begin{aligned}
 \text{Employee turnover rate} &= (\text{Number of separations} / \text{Number of employees midyear}) \times 100 \\
 &= (13/401) \times 100 \\
 &= 3.2\%
 \end{aligned}$$

2.5.2 Managing the Municipal Workforce

2.5.2.1 Occupational Injuries

The Municipality experienced 11 injuries on duty between the period July 2010 and June 2011. 64% (seven) of the injuries were in Community and Social Services Department, with 18% (two) of the total in Technical Services. Corporate Services and Budget and Treasury had 9% each, of the casualties. 55% of the injuries were classified as major whereas 36% were regarded as minor injuries. Only one injury (9%) of the incidents was classified as fatal.

2.5.3 Capacitating the Municipal Workforce

2.5.3.1 Skills Audit

A skills audit revealed that the Municipality had skills gaps in the following areas during the 2010/11 financial year:

- ABET
- Computer Literacy
- First Aid
- Cleaning Skills
- Occupational Health and Safety
- Records and Information Management
- Financial Management
- Leadership skills
- Minute Taking and Report Writing
- Information Systems (Mun. Admin System)
- Artisan training (Electricity and Plumbing)
- Chairing of disciplinary hearings
- Meter Reading
- Geographic Information System

A skills development plan for the 2010/11 financial year has to be developed to address the skills gaps identified above.

2.5.3.2 Skills Development

The Municipality, in accordance with the Skills Development Act (1998) and the Municipal Systems Act (2000) undertook to address skills gaps by providing training as outlined in the table below:

Table 2.18: Beneficiaries to the skills gap programme

Target Group	Number Trained	Area of Development	Institution that provided training	Outcome/Remark
Councillors:	0	0		
Ward Committees:	0	0		
Officials:				
• Labourers	46	ABET	DEPT OF EDUCATION	There was a high dropout rate
• Labourers	6	Road works level 2	Uthungulu HRD	Certificate of competence
• Labourers	10	Brush cutter training	Ntsako Training Solutions	Awaiting certificate of competence
• Operators	0			
• Front Office personnel	0			
• Management	16	Municipal Finance Management Act	North West University	In progress
• Management	7	CPMD and Additional modules	Wits Business School	Completed
• Drivers Licence Examiners	0			
• Finance staff	15 learners	Local Government Accounting certificate	AAT SA	6 declared competent and 9 Not yet competent
	1	IT auditing for non-auditors	Institute of Internal Auditors	Certificate of competence
	3	Risk based auditing	Institute of Internal Auditors	Completed
	1	Credit control & revenue management	IMFO	Completed
	1	South African International auditing	Institute of Internal Auditors	Completed
Other officials	3	Records & E-records Management	Le Mark Training & development	All declared competent
	20	Basic Computer literacy	Avuxeni Computer Academy	In progress
	1	Occupational Health & Safety	OHSAC Training cc	Certificate of competence

Target Group	Number Trained	Area of Development	Institution that provided training	Outcome/Remark
	3	Protocol and Etiquette	International Protocol consultants	Certificate of competence
	2	Operators Regulations for High Voltage	Ugesi Training	Completed
	1	Municipal Risk Management	Alexander Forbes	Completed
Total	136			

2.5.3.3 Learners on Experiential Training

The Municipality had 23 learners on experiential training during the year ending 30 June 2011. The table below classifies learners who were on experiential training according to department and gender.

Table 2.19: Learners on experiential learning grouped per host department

Number of Learners	Gender	Discipline	Department	Period
1	Male	Fitter and turner	Technical Services	Nov 10-April 11
2	1 male & 1 Female	Mechanical Engineering	Technical Services	Nov 10-June 11
2	Male	Traffic Officer	Community Services	1 learner 2009 Nov- March 11 1 learner 2009 Nov to date
9	5 males & 4 females	Finance	Budget & Treasury	4 learners 2008/07/01 to date 2 learners 2009/01/10 to date 3 learners 2010/06/01 to date
2	1 male & 1 female	Information Technology	Corporate Services	07 March 11 to date

2.5.3.4 Learners on Internship Programme

Table 2.20: Learners on internship per department

Number of Learners	Gender	Discipline	Department	Period
2	Male	Traffic Officer	Community Services	1 learner 2009 Nov- March 11 1 learner 2009 Nov to date
9	5 males & 4 females	Finance	Budget & Treasury	4 learners 2008/07/01 to date 2 learners 2009/01/10 to date 3 learners 2010/06/01 to date
2	1 male & 1 female	Information Technology	Corporate Services	07 March 11 to date

2.5.3.5 Skills Development Budget and Expenditure

Table 2.21: Expenditure on skills development

Financial Year	Budget for 2010/11	Expenditure	% Spent	Remarks
2009/10	R1 954 000,00	R1 495 000,00	77%	Other programs were not implemented due to lack of accredited service providers.
2010/11	R1 608 929,00	R625 630,00	39%	Many programs were not implemented due to the suspension of procurement

2.5.4 Managing Municipal Workforce Expenditure

2.5.4.1 Personnel Expenditure

The following table presents personnel expenditure by the Municipality over the past 4 years in order to benchmark the 2010/11 performance on the dimension:

Table 2.22: Personnel expenditure over the past three financial years

Year	Personnel Expenditure	Operating Expenditure	% of Personnel Expenditure as a Fraction of Operating Expenditure
2007/08	R 64 622 428	R 135 963 695	48%
2008/09	R 67 136 706	R 203 859 868	33%
2009/10	R 83 908 627	R 180 951 490	46%
2010/11	R900 318 847	R 223 542 000	40%

2. 5.4.2 Promotions for 2010/11

During the 2010/11 financial year, 10 staff members were promoted at the cost of R194 202 to the Municipality.

2.5.4.3 Upgraded Positions

No positions were upgraded in the 2010/11 financial year.

2.6 Building and Zoning Plans

The table below provides information on the time taken to approve zoning and building plan applications during the financial year under review. It indicates the number of approvals that were outstanding at the beginning of the financial year, number of new applications received during the financial year, total value of applications received, and the number of applications outstanding at the end of the financial year:

Table 2.23 Building and zoning applications processed

Applications Outstanding 1 July 2010	Category	Number of New Applications Received in 2010/11	Total Value of Applications Received (R'000)	Applications Outstanding 30 June 2011
-	Residential New	None	applications do not require an application fee, only a purchase price is required after approval of the application. No sites were purchased.	-
-	Residential Additions	3		-
-	Commercial	None		-
-	Industrial	7		-
-	Other (Specify): Applications for sites, car washes, placing containers, parks	26		-

2.7 Corrective Measures to Improve Performance

The municipality did not perform well in terms of the implementation of own funded projects due to poor revenue collection. Most of the planned projects were not implemented due to downward adjustments and that affected service delivery.

This was impacted by boycotts by Rate Payers Association members. Noting the impact done by Rate Payers Association members the municipal officials started to have regular meetings with all stakeholders in order to improve the working relations and address outstanding all issues.

Through its political office bearers and also the established Advisory Board the Municipality will continue to do payment awareness campaigns which will instill the culture of payment of services to all consumers.

To strengthen and improve revenue collection, the Municipality will review and implement the Credit Control policy and the Credit Control by-law.

In order to improve the organizational performance above its current status, the implementation of the workplace skills plan as informed by the skills audit will be intensified and be given priority. Furthermore, individual performance management will be cascaded to lower levels.

CHAPTER 3: HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

3.1 Introduction

Comments on the organisational structure have already been made in Chapter 1 of this report. In this chapter, attention is paid to the policies reviewed and/or developed to guide members of the staff in decision making and implementation. Issues related to staff profile across line functions, staff movements, performance management, staff training and skills development, health safety, labour relations and employment equity are addressed in the chapter.

3.2 Policies and Legal Compliance

In the 2010/11 financial year, the Municipality reviewed and developed the policies indicated in the table below:

Table 3.1: Policies reviewed or developed during 2010/11.

No	Name of policy	Policy status (Review/New)	Date of Adoption by Council	Resolution No
1	Leave Policy	New	January 2011	24/11
2	Municipal Vehicle Usage Policy	Review	October 2011	226/11
3	Property Rates Policy	Review	April 2011	85/11
4	Tariff Policy	Review	April 2011	85/11
5	Credit Control Policy	Review	April 2011	85/11
6	Debt Control Policy	Review	April 2011	85/11
7	Indigent Household Policy	Review	April 2011	85/11
8	Budget Policy	Review	April 2011	85/11
9	Virement Policy	Review	April 2011	85/11
10	Standing Orders	Review	June 2011	97/11

In order to ensure compliance with legislation, Municipal policies and by-laws, the Municipality had a functional internal audit unit. The Unit had staffing challenges and was over stretched since it had to deal with all municipal audit issues including performance auditing. It was manned only by the Chief Internal Auditor and one intern. The contract of the district-wide audit committee that was used for both audit and performance issues lapsed before the end of the financial year.

3.3 Organisational Structure and Staffing

The Organisational Structure as at 30th June 2011 is attached to this Annual Report as Appendix A. The staff complement of the municipality was at **439** by the 30th June 2011. The figure constituted **64, 28%** of the approved Organogram. The table below presents the staff profile across the line functions by the 30th June 2011:

Table 3.2: Staff profile across line functions by end of financial year

Line Function	Staff Members		Total	% Line Function Contribution to Municipal Establishment
	Male	Female		
Office of the Municipal Manager:	9	4	13	2,96
Corporate Services	17	36	53	12,07
Budget and Treasury Office	21	19	40	9,11
Technical Services:	107	22	129	29,39
Community and Social Services	105	78	183	41,69
Planning and Development	10	11	21	4,78
Total	269	170	439	
% Gender Contribution to Total Municipal Staff Establishment	61,28	38,72	100	100

The workforce distribution along racial lines for the 2010/11 financial year was such that 95,67% of the workforce was black with whites constituting the remaining 4.33%.

3.4 Staff Movements

3.4.1 New Appointments

The Municipality recruited 64 new employees in the 2010/11 financial year and the table below indicates number of positions filled as well as the relevant levels and equity considerations.

Table 3.3: Positions filled in the financial year

Post level	Number of Appointments per Gender		Total
	Male	Female	
4	1	0	1
7	0	1	1
8	0	1	1
17	20	17	37
Total	21	19	40

3.4.2 Terminations

In the 2010/11 financial year, 38 positions were terminated with 19 (50%) of the positions at post level 17. Males constituted 66% of the overall terminated positions.

The Municipality's staff turnover rate was at 8.66% for the financial year. The following formula was used to calculate the employee turnover rate for the year ended 30 June 2011:

$$\begin{aligned}
 \text{Employee turnover rate} &= (\text{Number of separations} / \text{Number of employees midyear}) \times 100 \\
 &= (38/439) \times 100 \\
 &= 8.66\%
 \end{aligned}$$

3.5 Personnel Administration

3.5.1 Leave Administration and Management

The table below shows the types of leaves taken in the financial year as well as the average number of leave days per leave type per staff member:

Table 3.4: Average number of leave days taken per leave type by staff members

Type of Leave	Number of Leave Days Taken	Average Number of leave days taken per Staff Member
Vacation	777	2
Sick	260	0,59
Maternity	195	0,44
Study	97	0,22
Family Responsibility	48	0,11
Special	22	0,03
Union	18	0,04

3.6 Performance Management

The Performance Management System of the Municipality was implemented manually with all institutional and individual quarterly assessments conducted. Only two formal individual performance assessments for the Section 57 managers were, with assistant directors formally assessed at the end of the first and third quarters. There is a need to automate the PMS system as it gets cascaded to the lower levels.

3.7 Training and Skills Development

Details of staff training programmes undertaken are presented in Chapter 3 as part of the Annual performance Report.

3.8 Occupational Health and Safety

The Municipality recorded 11 injuries on duty during the financial year, with 64% of them taking place in Community and Social Services and the rest were in Technical Services, Corporate Services

and Budget and Treasury. Six of the eleven incidents were classified as major whereas only one incident was fatal.

3.9 Labour Relations

The Local Labour Forum was functional throughout the year and held a total of 7 scheduled meetings and 3 special meetings.

3.10 Employment Equity

The Municipality was not able to meet its employment equity targets as a result of lack of funds to fund the organogram. There is also a need to review the Employment Equity Plan for the next five years.

In as far as the retention of scarce skills in accordance with the approved retention strategy of the Municipality, two (2) staff members were retained out of thirteen (13) who tendered their resignation during the financial year.

Disclosures concerning councillors, directors and senior officials for the period 1 July 2010 to 30 June 2011

Position and Name	Description											
	Salaries and Wages		Contributions			Allowances			Housing Benefits and Allowances	Loans and Advances	Other Benefits and Allowances (Specify)	Arrears Owed to Municipality
	Normal	Overtime	Pensions	Medical Aid	Other	Travel and Motor car	Accommodation	Subsistence				
Mayor												
Executive Councillors: 1. Cllr 2. Cllr												
Municipal Manager												
Chief Financial Officer												
Directors: 1. Director Corporate Services (Mr ...) 2. Director Technical Services (Mr ...)												
Total												

CHAPTER 4: AUDITED FINANCIAL STATEMENTS AND RELATED FINANCIAL INFORMATION

4.1 Introduction

The audited financial statements for the year under review are attached as Appendix C to this annual report and presented in the required format. A budget to actual comparison is drawn with information from the previous financial years presented. Additional financial information including the Auditor-General's audit report is also presented in this chapter.

4.2 Financial Sustainability

4.2.1 An Overview of the Financial Situation

Ba-Phalaborwa Municipality's financial statements have been prepared on a going concern basis which is an assumption that the Municipality will continue with its operations for at least the next twelve months.

4.2.2 The Financial Health of the Municipality

The 2009/10 financial figures are utilised as baseline and to benchmark the financial performance of the Municipality in the current year of reporting. Financial ratios are used as prominent indications of Ba-Phalaborwa Municipality's financial health.

Table 4.1: Financial health of the Municipality

Liquidity and Solvency	Basis of Calculation	2010/11	2009/10	2008/09
Current Ratio	Current Assets/Current Liabilities	1.71:1	0.65:1	0.72:1
Current Acid Test Ratio	Current Assets less(Inventories)/Current Liabilities	1.6:1	0.63:1	0.70:1
Borrowing Management				
Borrowings to Assets	Total Long Term Debts/Total Assets	0.002:1	0.01:1	0.02:1
Capital Charges to Operating Expenditure	Interest + Principal Payments/Operating Expenses	0.017:1	0.003:1	0.005:1
Safety of Capital				
Debt to Equity	Loans, Accounts payable, overdrafts/Funds and Reserves	0.03:1	0.18:1	0.25:1
Gearing	Funds and Reserves/Long Term borrowings	382.7:1	61:1	41:1

4.2.3 Long Term Contracts

In the financial year under review, the Municipality signed contracts or service level agreements as indicated in the table below:

Table 4.2: Major contracts and service level agreements signed in 2010/11

No.	Name of Contract/ Service Level Agreement	Source of Funding	Bid Amount/ Award	Date Contract Signed / Duration	Description of Services	Tender Number	Name of Company
1	Lekang Day Care Centre	Lease/Rent Payment by Applicant	Lease/rental amount of R214.00 per month	01 July 2010 3 Year lease	Lease/rental of Portion 51 of erf 1147, Namakgale 1391	Lease/rent payment Personal application	Ms Malungane
2	Global Media	Lease/rent payment	R500.00 per month	03 August 2010 3 Months lease	Advertising on television/ displayed at Licensing & Rates Hall	Lease/rent payment Personal application	Global Media
3	Municipal Waste Recycling Feasibility Study			18 November 2010 3 Months		Tender No.: 06/2010	Aurecon South Africa
4	Business Connexion		R4.6 million	06 December 2010 3 years	Supply, installation and maintenance of municipal integrated financial management system		Business Connexion (Pty) Ltd
5	Portable Water Supply	Municipal Bulk Water Supply	Municipal service: supply of water service	8 February 2011 2 years	Supply of bulk portable water to Sasol Chemical Industries	N/a	Sasol Chemical Industries
6	Rihlazana Auctioneering Services	Own funding	6% commission	31 May 2011 3 years	Auctioneering services/ Municipal disposed goods	35/2010	Rihlazana Auctioneers
7	Mosoma-Lebaka design & Construction/Replacem ent of asbestos sewer & water reticulation line.	Own funding	R 387 253.16	7 March 2011 2 months	Replacement of asbestos sewer & water reticulation in Phalaborwa	18/2010	Mosoma-Lebaka Joint Venture

No.	Name of Contract/ Service Level Agreement	Source of Funding	Bid Amount/ Award	Date Contract Signed / Duration	Description of Services	Tender Number	Name of Company
8	Capacity Building Grant Agreement	DBSA	R300 000.00	01 February 2011	Capacity building and development	Ba-Phalaborwa Municipality/D BSA	DBSA
9	Donation of Asset: Sasol Hostels	Donation	Value not yet determined	24 December 2010	Sasol donated two movable prefabricated structures: previously used as Sasol employees' hostels	Donation agreement	Sasol Chemical Industries
10	Licence and support agreement	Own funding		20 December 2010 3 years	Licensing, support and refinement of Sebata Financial Management System: supply and implement software to the client		Sebata Municipal Solutions
11	Comprop lease agreement	Lease agreement/rental payments	Lease amount: R58.00 per square meter	1 November 2010 3 years	Lease of property	Lease agreement	Community Property Company
12	Memorandum of Partnership Agreement National Youth Development Agency	Own funding	Partnership Agreement	14 March 2011	Partnership Agreement	n/a	National Youth Development Agency

4.2.4 Credit Rating of the Municipality

The Municipality has not been credit rated for the year under review.

4.2.5 Outstanding Creditors

Table 4.3: Information on outstanding creditors

Creditor	Outstanding Amount	Action Taken
Lepelle Northern Water	R169 674 927	Debt has been transferred to MDM
SARS(PAYE)	R0	
Trade Creditors	R7 838 853	All have been paid in 2011/12

4.2.6 Outstanding Debtors

Table 4.4: Information on outstanding debtors

Debtor	Outstanding Amount		Action Taken
	30 th June 2010	30 th June 2011	
Government	39 878 770	41 677 719.87	Requested intervention (National Treasury) implemented credit control and debt collection by-law wherever possible
Businesses	38 910 130	53 409 575.94	
Households	182 870 182	205 143 764.08	
Other	656 195	-471 962.87	
Total	262 315 277	299 759 097.02	

Intervention Measures

a. Government Debts

Requested National treasury and local government to intervene in the spirit of good corporate governance.

b. Debt Collection

Implemented credit control and by-law within the ambit of resources available (restrictions and discontinuation of services)

c. Top 30 Debtors

Monitored and communicated to make sure that there is relationship with our debtors, making sure that they receive accurate bills timely and that payment is allocated, Making sure that where there is a dispute such is resolved at the earliest convenience, and handing over to legal for possible lawsuit.

d. Disconnection of Services

Disconnection of services was done within the ambit of municipal by-laws and the constitution of the republic, but limited to the resources available.

e. Legal Process

Legal action was taken against those not willing to pay without proving beyond reasonable doubt the reasons thereof.

Table 4.5: Outstanding Debtors Ageing per Consumer Category

Description	0-30 Days	31-60 Days	61-90 Days	91-120 Days	Total
	R	R	R	R	R
Government	1225285.75	1231781.42	1159654.42	1010808.21	41677719.87
Business	3574275.91	3390493.97	2685027.09	2249629.74	53409575.94
Households	8057259.71	7125195.50	9511492.72	6535050.80	205143764.08
Other	260647.45	311894.14	38509.59	40743.29	471962.87
Total	13117468.81	12059365.02	13394683.82	9836232.04	299759097.02

Table 4.6: Outstanding Debtors per Revenue Source

Description	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	Total
	R	R	R	R	R	R
Rates	2704601.26	2629145.35	2504023.59	2309312.74	2216288.53	49699856.16
Electricity	2668388.18	2028231.27	3157343.67	906557.08	556503.38	23028604.55
Water	5452330.45	5231698.67	5589479.80	4772392.29	3522431.27	115839267.30
Sewerage / Sanitation	963651.64	911107.62	890151.77	772967.73	746824.58	35378251.68
Refuse Removal	671923.64	600298.50	589085.75	495878.38	496152.08	16622891.87
Other	656573.39	658883.61	664599.24	579123.83	23851504.19	59190225.48
Total By Revenue Source	13117468.81	12059365.02	13394683.82	9836232.04	31389704.02	299759097.02

4.3 Indigent Policy

The municipality supported **1591** indigents in **2010/11** financial year. The municipality budgeted R7 million from equitable share to support indigents as follows:

- ❖ 6kl free water
- ❖ 50kw basic electricity
- ❖ Free refuse removal
- ❖ Free sanitation services

A total arrear debt of R1.1 million in relation to indigent households consumers being balances on these accounts before being approved as indigent consumers was written off by municipal council.

The following table illustrates how the indigent households were supported in the past two financial years:

Support to indigent households

Table 4.7: Rand value support on services given to indigent households

Type of Service	Support in Rand Value	
	2009/10	2010/11
Electricity	1 976 601	1 862 495
Water	1 505 504	668 220
Sewer	1 072 540	1 431 900
Refuse	628 283	1 069 152
Rates	419 790	417 990
Total Amount	5 602 717	5 449 757

4.4 Supply Chain Management

4.5 Audit Outcomes

The audit outcomes of the past three financial years are as follows:

Table 4.8: Audit outcomes from 2005/06 to 2008/09

Financial Year	Audit Outcome	Interventions to Address Negative Outcomes
2005/06	Disclaimed Audit Opinion	The audit was not performed in time. The backlog audit from 2005/06 financial year was performed and finalized in 2008.
2006/07	Disclaimed Audit Opinion	The audit was not performed in time. The backlog audit was performed and finalized in 2008.
2007/08	Disclaimed Audit Opinion	The audit was not performed in time. The 2007/08 financial year commenced in 2008 and finalized in January 2009. The audit report is not yet issued.
2008/09	Disclaimed Audit Opinion	The audit was performed in time. An action plan to assess issues raised in AG's report was tabled to municipal council in January 2010 and finalized in August 2010 on compilation of annual financial statements.
2009/10	Disclaimed Audit Opinion	
2010/11	Disclaimed Audit Opinion	

4.6. Income

4.6.1 Revenue

The following is a breakdown of the Municipality's Operating Revenue by respective revenue category.

Table 4.9: Operating revenue by respective revenue category

Revenue per Classification	2010/11	2009/10	2008/09	% of Total Revenue 2010/11
Water	84 207 072	R 72 185 458	R49 186 661	34.9
Electricity	63 806 527	R 40 458 677	R35 387 962	26.4
Rates	72 122 729	R 47 187 505	R33 431 535	29.9
Refuse	8 554 822	R 6 126 709	R8 567 145	3.5
Sewerage	11 839 940	R 10 671 516	R13 899 312	4.9
Rental of Facilities and Equipment	184 870	R 146 552	R 45 099	0.07
Fines	509 625	R 524 405	R534 540	0.21
Licenses and Permits	6 518 755	R 4 396 182	R10 976 191	2.7
Grants/Subsidies	74 682 367	R 77 150 460	R45 579 141	30.9
Gain on Disposal of Assets	186 195	R 245 841	R	0.07
Other income	3 174 529	R 420 234	R 5 749 479	1.31
Total Operating Revenue	258 999 026	R 285 813 427	R 203 357 065	

Grants and Conditional Transfers

Table 4.10: Grant funding received

Grant Funding Source	Amount		Objectives Achieved/Not Achieved
	2010/11	2009/10	
FMG	R1000 000	R500 000	Achieved
NPDG	R 0	R10 000 000	
MIG	R 14 242 000	R12 335 000	Achieved
MSIG	R 750 000	R500 000	Achieved
Equitable Shares	R 47 605 231	R0	
INEG	R 6000 000	R39 033 000	Achieved
MDM	R 1000 000		Achieved
LOCAL GOVERNMENT – Free Basic	R 2 222 497		Achieved
DBSA	R 624 527		Achieved
Total	R73 444 255	R61 918 000	

4.6.2 Equitable Shares

Equitable shares received by the Municipality over the past three years:

Table 4.11: Equitable shares over the past financial years

Financial Year	Amount	Equitable share as percentage of Total Revenue
2006/07	R 20 208 670	11%
2007/08	R 22 228 800	13%
2008/09	R29 090 429	14%
2009/10	R39 033 000	34%
2010/11	R 47 605 231	21%

4.6.3 Loans / Borrowings

Loans/Borrowings include short-term and long- term loans.

Table 4.12 Loans or borrowings over the past three financial years

Financial Year	Total Amount	Repayment Period
2006/07	R 3 425 674	5 years
2007/08	R -	
2008/09	R -	
2009/10	R-	
2010/11	R 2 140 352	

4.6.4 Revenue by Source

Below table indicate the summary of Municipality's revenue by source for the reporting year.

Table 4.12: Revenue by source

Revenue per Classification	2010/11	2009/10
Water	84 207 072	R 72 185 458
Electricity	63 806 527	R 40 458 677
Rates	72 122 729	R 47 187 505
Refuse	8 554 822	R 6 126 709
Sewerage	11 839 940	R 10 671 516
Rental of Facilities and Equipment	184 870	R 146 552
Fines	509 625	R 524 405
Licenses and Permits	6 518 755	R 4 396 182
Grants/Subsidies	74 682 367	R 77 150 460
Gain on Disposal of Assets	186 195	R 245 841
Other income	3 174 529	R 420 234
Total Operating Revenue	258 999 026	R 285 813 427

4.6.5 Outstanding Consumer Debts

Table 4.13: Outstanding consumer debts

Description	2010/11	2009/10
Water	115 839 267	R 92 140 422
Electricity	23 028 604	R13 639 026
Property Rates	49 699 486	R 51 584 052
Sewerage/Sanitation	35 378 251	R 33 781 674
Refuse Removal	16 622 891	R 20 368 086
Other	59 190 225	R 50 802 296
Total	299 759 097	R 262 315 556

4.7 Expenditure

4.7.1 Expenditure per Capita

Municipal per capita spending 2006/07 – 2010/11

Table 4.14: Per capita expenditure for the past three financial years

Description	2006/07	2007/08	2008/09	2009/10	2010/2011
Population	131 092	137 330	127 304	127 304	
Expenditure Per Capita	R 1021.39	R 947.93	R 1601.36	R 2 080.54	

Expenditure by type:

Table 4.15: Expenditure by type

Expense Type	2006/07	2007/08	2008/09	2009/10	2010/11	% Change in 2010/11
Employee related costs	R 46 233 000	R 58 773 486	R 60 656 462	R75 338 632	R72 785 837	-3.39%
Remuneration of Councilors	R 5 241 368	R 5 823 763	R 6 480 244	R8 569 995	R11 539 955	34.66%
Debt impairment	R-	R 5 585 933	R 6 206 598	-	-	-
Depreciation & asset management	R -	R 2 207 047	R 2 415 603	R23 202 203	R38 171 329	64.52%
Finance Charges	R -	R 1 278 939	R 1 235 333	R 311 075	R811 105	160.74%
Bulk Charges	R37 393	R 25 056	R 40 391	R87 189 307	R41 106	-52.85%
	852	386	383		316	
Contracted Services	R-	R-	R 1 851 013	R10 293 876	R5 976 489	-41.94%
Transfers and Grants	R-	R-	R-	R-	R	R-
Other Expenditure	R45 027 830	R31 453 605	R84 623 232	R59 955 029	R111 407 246	85.82%
Total	R133 896 050	R130 179 159	R203 859 868	R264 860 117	R281 798 277	

4.7.2 Allocation of Expenditure

The allocation of expenditure for repairs and maintenance as a total percentage of the actual operational expenditure is given below:

Table 4.16: Allocation of expenditure for repairs and maintenance over the past three financial years

Item	2006/07	2007/08	2008/09	2009/10	2010/11
Total Operating Expenditure	R133 896 050	R130 179 159	R203 859 868	R264 860 117	R243 154 956
Repairs and maintenance	R 5 408 705	R 598 108	R 398 123	R 3 723 940	R5 049 538
% of Total OPEX	40%	0.46%	0.20%	1.41%	2.08%

4.7.3 Capital Expenditure

In line with the requirements set out in Section 71 of the MFMA, detailed indication on capital budget expenditure is presented as follows:

Table 4.17: An indication on capital budget expenditure for the 2010/11 financial year

Vote Description	Capital Expenditure Incurred		% of Total Expenditure
	2009/10	2010/11	
Planning & Development	R 10 000 000		
Technical Services	R 9 091 000	R34 485 112	12%
Community Services	R 5 000 000		
Total	R 24 091 000	R 34 485 112	

The following table presents allocation of capital expenditure versus operational expenditure as a percentage of the total budget over the past three years:

Table 4.18: Capital expenditure versus operational expenditure as a percentage of the total budget over the past three years

Expenditure	2007/08		2008/09		2009/10		2010/11	
	Amount	% of Budget	Amount	% of Budget	Amount	% of Budget	Amount	% of Budget
Operational	R130 179 159	72%	R203 859 856	108%	R 264 860 117	96%	R 278 679 091	88%
Capital	R 36 582 000	100%	R 14 822 408	58%	R 24 091 000	9%	R 34 485 112	12%
Total	R166 761 159		R218 682 264		R 288 951 117		R 298 592 203	100%

The contributions by various sources of capital funding for the past three years is represented below:

Table 4.19: Contributions to capital funding over the past three years

Source of Capital Funds	2007/08	2008/09	2009/10	2010/11	% of Total Capital Expenditure
Grants and Subsidies	R 31 874 000	R18 338 000	R 25 312 000	R20 242 000	
External Loans	-	-			
Own Revenue	R 4 708 000	R 7 060 000	R 16 000 000	R14 572 000	
Other	-	-			
Total	R 36 582 000	R 25 398 000	R 41 312 000	34 814 000	

4.8 Asset Management

The movements or changes in the assets of the Municipality during the 2009/10 financial year are summarized in the tables below:

Table 4.20: New assets acquired during the 2010/11 financial year

Asset Description	Book Value	Expected Useful Life	Reasons(s) for Acquiring Asset
Land and Buildings	-		
Infrastructure Assets	R52 439 641	20 years	Service Delivery
Total	R52 439 641		

Table 4.21: Assets disposed during the 2010/11 financial year

Asset Description	Remaining Value	Actual Amount Collected	Reason for Disposal

4.9 Disclosures

MFMA Circular Number 11 of 2005 requires that a municipality includes salary disclosures in its annual report in terms of Section 124 of the MFMA. The table below provides disclosures concerning the salaries of councillors for the period under review:

Table 4.22: Disclosures of councillors' salaries

NAME OF COUNCILLORS	CURRENT STATUS	AMOUNT AS AT 30 JUNE 2011
Chauke MS		200 760.33
De Beer SR		260 072.33

NAME OF COUNCILLORS	CURRENT STATUS	AMOUNT AS AT 30 JUNE 2011
Dlamini BC	Exited	174 795.87
Engelbrecht E		29 557.30
Fleming GJ		23 888.40
Grand Total		6 622 886.43
Hlatshwayo C	Exited	129 414.04
Kgoete MP		23 900.70
Maahe MD		514 799.34
Mabilo PG		23 888.40
Mabuye PN	Exited	175 760.73
Magomane MS		206 493.00
Mahomane KE		23 888.40
Makasela R		23 888.40
Makayela TJ	Exited	129 414.04
Makwal MO		200 760.33
Malatji BCL	Exited	129 414.04
Malatji DH		23 888.40
Malatji KS		129 414.04
Malatji MD	Exited	129 414.04
Malatji MM		23 888.40
Malatji MP	Exited	174 795.87
Malatji TG		23 888.40
Malatji TJ	Exited	129 414.04
Malesa MG		23 888.40
Malesa MM		130 181.04
Mametja MM	Exited	129 414.04
Mapanzela VP		203 544.26
Mashele JG		203 041.98
Mashigwana NA		23 888.40
Mathebula MV		23 888.40
Mhlarhi KP		29 561.40
Mkansi ST		23 888.40
Mnisi-Mudunungu GD	Exited	420 097.28
Mohlala SL		47 142.40
Mokgalaka MS		23 888.40
Monareng MG		23 888.40
Mpenyane IF		23 888.40
Mthombeni PS		23 888.40
Mukhari MP	Exited	174 795.87
Nkuna T		200 760.33
NkunaSR		23 888.40
Ntimane-Ndlovu NE		200 760.33
Nziane NP	Exited	130 181.04
Otto KA		194 452.54
Peta KA		23 888.40
Pilusa KL	Exited	129 414.04
Popela MR	Exited	200 041.33
Rapatsa DM		206 433.00
Sehlwana NV	Exited	129 414.04
Shilote MWJ	Exited	129 414.04

NAME OF COUNCILLORS	CURRENT STATUS	AMOUNT AS AT 30 JUNE 2011
Sono NA		475 932.53
Valoyi XS	Exited	23 888.40

Information pertaining to disclosures on business interests held by individuals is presented in the table below:

Table 4.23: Disclosures on business interests by councillors and officials

Name	Designation	Nature of Interest	Date of Disclosure
Machete TV	Supply Chain Manager	Mathangwe Catering & Construction;	
		Merwa Business Project & Merwa Logistics	
Mahlo LM	Secretary: Planning & Development	Mthebeleku Trading cc	
Chauke MF	Tourism Manager	Dzhuta Trading Enterprise	
Ntshavheni KP	Municipal Manager	Nkho Trading cc;	
		Vhafu Holding cc	
		Bokamoso Ba Rona Investment	
		Izapro Investment pyt (Ltd)	
		Fair Whether Trading	
Bayana JW	Director: Community & Social Services	Welkom Yizani Investment	
		Sasol Inzalo Cash Shares	
Nkuna T	CFO	Mdingazi Investment	
Sehlwana NV	Councillor	Makhushane Rest Camp	
		Masibuka Development Enterprise	
		Nkululeko Construction and Projects	
Malatji MD	Councillor	RLD Civics	
Maagomane MS	Councillor	Mololomake Trading	
Mukhari MP		Jeaneth Interior Design and Projects	
Rapatsa DM		Iterele Mosadi's Trading and Projects	
		Retabane General Trading	
		Vinico Trading and Projects	
Otto KA		African Leader Manufacturers	
Malatji MP		Hands on OB and Manufacturers Services	
		Itire General Dealer	
Chauke MS		Khekhi Multi Trading	
		Solid Massage Trading and Projects	
Makwala MO		Main Sound Construction	
Mudunungu GD		Pacific Coast Investment	

Name	Designation	Nature of Interest	Date of Disclosure
		65	
		Lemina Construction	
		Makoti Minerals and Pacific Coast	
		Mlungisi and Siblings Mining & Construction	
Maake MD		Waltzuz Projects	
		Waltsus Trading Enterprise	
Makayela TJ		Makaloyi Enterprise	
		Sasol Nitro	
Malesa MM		Hlanhagane Trading Enterprise	
De Beer SR		Employed by Old Mutual	

4.10 Auditor-General's Audit Report

The Auditor-General's Audit report is attached as Appendix D

4.11 Report of the Audit Committee

The Municipality used the services of a shared Audit Committee and its report as attached as Appendix E

4.11 Inter-governmental Grants

Quarterly information on Inter-governmental grants received by the Municipality in the 2010/11 financial year through the Division of Revenue Act (DoRA) or through any means as provided for in Chapter 12 of the MFMA is provided in the table below:

Table 4.22: Inter-governmental transfers

Grant Details		Amount Received and Spent Each Quarter									
Grant Name	1 April 2010 to 30 June 2010	1 Jul 2010 to 30 Sep 2010		1 Oct 2010 to 31 Dec 2010		1 Jan 2011 to 31 Mar 2011		1 April 2011 to 30 Jun 2011		Total	
<i>FMG</i>		1000000	265754.87		243232.37		256522.13		242501.97		
<i>MSIG</i>		750000							1670273.21	750000	1670273.21
<i>MIG</i>		9000000	3034124.88	2600000	2470503.36	2642000	3678685.07		5336122.34		
<i>NDPG</i>			1786257.01		88030.91		539145.33		1088182.07		
<i>INEG</i>		2399000		1201000		2400000			5393675.99		
<i>Equitable shares</i>		19835513		15868410		11901077					
<i>FBS</i>								2222497.49			
<i>DBSA</i>		624527.21	624527.21								
<i>Excess employees</i>				2567000							

Summary

GOVERNMENT GRANTS AND SUBSIDIES						
Provincial Equitable Share					47 605 231	
Operational Grants					47 605 231	
Conditional Grants					27 077 136	
National: FMG Grant					1 000 000	
National: MIG Funds					14 519 436	
National: MSIG Funds					750 000	
DBSA					624 527	
INEG					5 393 676	
Provincial - Excess employees					2 567 000	
MDM - GRAP conversion					-	
Local Government - Local Municipalities - Free Basic services					2 222 497	
NDPG					-	
Total Government Grants and Subsidies					74 682 367	

4.12 Report of the Accounting Officer

CHAPTER 5: FUNCTIONAL AREA SERVICE DELIVERY REPORTING AND HIGHLIGHTS

5.1 Introduction

This Chapter focuses on the performance highlights and constraints experienced in each line function and sections within the various departments. The main purpose or responsibilities of each section are indicated, with major achievements and constraints for the year under review.

5.2 Office of the Municipal Manager

The Office of the Municipal Manager comprised of the following main sections:

- Strategic Planning;
- The Office of the Mayor;
- Internal Audit Function;
- Risk Management;
- Disaster Management;

5.2.1 Strategic Planning

Main Purpose: The main purpose of the Strategic Planning Section was to undertake integrated development planning, institutional and individual performance management, and public participation.

Main Priorities: The main priorities included reviewing the IDP of the Municipality within a prescribed framework and adhering to an adopted process plan. The Section also had to insure that the integrated development planning process was participatory in nature by involving stakeholders and the community. The Performance management unit focused on setting performance targets and reviewing performance.

Major Achievements: Successfully implemented the IDP/Budget/PMS Process Plan. The IDP of the Municipality has been rated amongst the best in the province. It implies that both the IDP process and the document meet the minimum required standards as provided for in relevant legislation and regulatory guidelines. Coordinated and won the provincial Greenest Municipality Competition (GMC).

Constraints Experienced: No measure constraints were experienced in the financial year.

5.2.2 Office of the Mayor

Main Purpose:

Main Priorities: Sports, Arts & Culture; communication; Youth, Gender and Disability; and HIV/AIDS

Major Achievements: For the period under review the following activities took place for the betterment of sports, arts & culture in the municipal area:

- Elected new Sports & Recreational Committee;
- Participated in OR Tambo games (Local, District, Provincial and National);
- Participated in local district and provincial indigenous games.
- Local Performing and visual artists given an opportunity during the annual Marula Festival;
- Held cricket coaching clinics conducted by Makhaya Ntini;
- Hosted the South African National Health Services championships in partnership with SANDF; and
- Formed partnership with Hans Merensky Golf Estate to train fifty (50) young golfers.
- Produced two newsletters;
- Reviewed Communication Strategy;
- Local Government Communicators Forum functional;
- Produced branded municipal diaries;
- Developed municipal terms of reference on establishment of Disability & Gender Forum;
- Developed municipal Youth Development Strategy;
- 18 youths participated as Safety and Security ambassadors on poverty alleviation programmes;
- 15 youth participated on Youth Development Learner-ships;
- Capacitated 15 youth for 12 months on EPWP programmes;
- Established municipal Disability Forum; and
- Signed a partnership memorandum with NYDA.

Constraints Experience:

- Lack of working tools (digital camera & video camera);
- Shortage of personnel in the unit;
- Insufficient office equipments;
- Withdrawal of disabled; and
- Lack of finances to implement budgeted programmes;

5.2.3 Internal Audit Function

Main Purpose: The main purpose of the Internal Audit Unit was to help the Municipality achieve its set objectives by providing an independent objective assurance and consulting services to improve risk management, controls and governance processes.

Main Priorities: The main priorities included review of the Internal Audit Charter, Continuous Professional Development and development of the Internal Audit Strategic Plan and internal audit methodology. The development and monitoring of the AG plan and verification of evidence for performance assessments. Organising and serving as the secretariat for the Audit Committee meetings.

Major Achievements: 100% Audit of POEs for both Assistant Directors and Directors for all quarters was achieved. The Unit successfully implemented the Continuous Professional Development Programme and the Internal Audit Charter. The AG plan was adequately monitored and the Audit Committee meetings were scheduled and attended as planned.

Constraints Experienced: Inadequate staffing in the unit has been a pain in the financial year and led to inadequate completion of the annual plan, inadequate implementation of the Quality Assurance and Improvement Programme.

5.2.4 Risk Management

Main Purpose:

Main Priorities:

Major Achievements:

Constraints Experience:

5.2.5 Disaster Management

Main Purpose:

Disaster management is a multi-disciplinary process of planning and implementation of measures aimed at;

- Preventing or reducing the risk of disasters;
- Mitigating the severity or consequences of disasters;
- Emergency preparedness;
- A rapid and effective response to disasters; and
- Post disaster recovery and rehabilitation.

Main Priorities:

Disaster Management focuses on programmes and measures designed to prevent, mitigate, prepare for, respond and recover from the effects of all disasters.

Major Achievements:

- Successfully participated in the foot and mouth outbreak;
- Participated in the district joint operations during floods;
- Participated in managing events such as the
 - Marula Festival
 - World cup soccer
 - Coronation of Kgoshi Selwane
 - Phalaborwa birthday celebrations

- Local Elections
- Festive season planning
- Train bridge collapse, increased road traffic flow of heavy trucks to continue delivery of product of both Foskor and Palabora Mining Company.
- Premier's visit.
- Cholera awareness campaign
- Rabies awareness campaign
- State of readiness exercise for all role players in the town – aircraft accident simulation.
- Conducting training with all major stake holders in order to improve reaction times and sharpen up senses.

Constraints Experienced:

- The section was not adequately resourced to deal with disasters more efficiently;
- Poor cooperation with sector departments i.e. SAASA and Department of Health and Welfare, no food parcels are made available by them.

5.3 Directorate: Corporate Services**5.3.1 Human Resources Management****Main Purpose:**

To manage and render indispensable, transparent and professional human resources support services by:

- ensuring effective provisioning of human capital;
- effective human resources administration;
- ensuring effective training and development of human resources;
- maintaining and promoting sound labour relations; and
- ensuring an effective, healthy and safe working environment.

Major Achievements:**Training and Development**

- managed to offer training to 137 staff members in different fields and post levels;
- received a R151 329, 59 levy from LGSETA; and
- submitted the Annual Training Report for 2010/11 as well as the Workplace Skills Plan for 2011/12 to LGSETA on the cut-off date of June 2011.

Recruitment and Selection

- Recruited and appointed thirty eight (38) staff members of which 99,9% are general workers.

Constraints Experienced

- Did not achieve the set employment equity target as a result of financial constraints. Only 40 of the 69 targeted positions were filled.
- The vacant position of the Occupational Health and Safety Officer contributed to an extent to the injuries on duty that were experienced.
- Ensuring that all municipal buildings comply to the provisions of the Occupational Health and Safety Act.
- Inability to provide workers with suitable protective equipment to reduce injuries on duty and the impact where injuries happen.
- Improving filling system for personnel records'

5.3.2 Administration and Information Management**Main Priorities**

The section is responsible for safe keeping and archiving municipal records; providing cleaning services, council support services, and information technology and communication services.

Achievements

- Compiled an archives checklist that was approved by council
- Established new portfolio committees following the inauguration of a new council
- Functional interactive website

Challenges

- Inability to implement projects due to lack of funds

5.3.3 Legal Services**Main purpose:**

The main purpose of the Legal Services Division is to undertake civil litigations, labour litigations, and criminal litigations, development of contracts and service level agreements as well as provision of advisory opinions affecting the Municipality.

Main Priorities

The main priorities include legislative compliance in litigations, contracts, agreements and provision of legal opinions on matters that affect council.

Major Achievements

- Managed to dispose 76% of litigation cases.
- Work-shopped municipal employees on the terms and conditions of service

Constraints Experienced

- Establishment of a legal research unit (Legal library unit for reference)
- Resourcing of the legal division.

5.4 Directorate: Budget and Treasury Office

The Finance Division's responsibility is to design and implement financial controls that ensure good financial governance and financial viability of the Ba-Phalaborwa Municipality as well as ensuring that funds are optimally used to drive the attainment of the strategic requirements and objectives.

5.4.1 Financial Planning and Reporting

The Financial Planning and Reporting section is responsible for:

- Ensuring that Financial Planning is done in terms of Legislative requirements, e.g. DoRA, MFMA, MTREF
- Avoiding unauthorised and fruitless expenditures by ensuring that funds are spent as voted for.
- Preventing over spending by monitoring the budget
- Monitoring and reporting actual collections and expenditure in terms of the legislative requirements

Major Achievements

- Approved Annual and Adjustment Budget
- In year reports produced and submitted to the relevant stakeholders
- Avoidance of over spending by votes

Constrains Experience

- Funding of budget which resulted in down ward adjustment of original budget therefore sustainability not achieved.
- Incurrence of fruitless and unauthorised expenditure

5.4.2 Revenue Management

The Revenue Management section is responsible for:

- Ensuring that consumer are accurately billed and statements are sent timorously
- Ensuring that credit control measures of the Municipality are implemented
- Ensuring that revenue collected is banked and accounted for in the books of the Municipality

5.4.3 Financial Control and Expenditure

The Financial Control and Expenditure Management section is for:

- Ensuring that funds are utilised as budgeted for
- Ensuring rigorously cash flow management
- Payment of Salaries and statutory deductions
- Payment of Creditors
- Preparation of Annual Financial Statements

5.4.4 Supply Chain and Fleet Management

The Supply Chain and Fleet Management section include:

- To source goods and services as per the Supply Chain Management Policy.
- Ensuring that Municipality's SCM is fair, equitable, transparent, competitive and cost effective

Major Achievements

- Support of SMME's
- Complying with reporting regulations
- Manage goods and services with timelines

Major constraints

- Limited cash flow
- Unclear specifications from user departments

5.5 Directorate: Technical Services

Main Purpose: To provide a sustainable and reliable infrastructure services to the community.

Main Priorities: Includes provision of basic services like Water, Sewer, Electricity and Building of Community infrastructure maintenance and upgrading of municipal assets
Planning and implementation of projects identified by the communities in the IDP

Major Achievements: Successfully completed projects within budget. We have not requested any additional funding from all the projects we implemented and all service providers and labours were all paid at the end.

Constraints Experienced: The department has a lot of vacancies that need to be filled. The response time of the department especially on Water services is too slow due to resources shortage.

5.6 Directorate: Community and Social Services

The Department of Community and Social comprises of 4 main sections, viz:-

- Environmental Health
- Parks and Cemeteries
- Traffic and Licensing, and
- Library Services

The Department also consists of 2 Portfolio Committees namely:

- Agricultural and Environmental Management
- Social Services

5.6.1 Environmental Health

Main Purpose: The main purpose is to provide refuse removal services, inspection of food premises, cleansing services, and waste management, to mention but a few.

Main Priorities: All the services mentioned above are the main priorities of the section.

Major Achievements: Participated and won in the District and Provincial Greenest Municipality Competition (GMC).

Constraints Experienced:

- Non-purchase of equipments;
- Non-employment of staff.
- Identification of new landfill site (land claims).
- Devolution of EHP's.

5.6.2 Parks and Cemeteries

Main purpose: Provision, development and maintenance of parks and open spaces, bush clearance, lending of plants for decorations, decorations during events, administration, provision, and maintenance of 4 cemeteries.

Main Priorities: Maintenance of parks and provision of graves on demand.

Major Achievements: -

- Participated in the GMC;
- Successfully planted trees (Premiers Greening Limpopo Project);
- Business Plan for Greening Limpopo Project.
- Planted and distributed plants to schools during Arbor day.
- Secured funds from FOSKOR and PMC for the Greening Limpopo Project.
- Solicited funding from business people to extend Namakgale Cemetery by 8 hectares.

- Secured land from Majeje Traditional Authority for new cemetery establishment.

Constraints Experienced:

- Shortage of staff;
- Non-repair of equipment;
- Lack of funds for completing projects;
- Non-grading of informal soccer fields due to lack of equipment;
- De-forestation;
- Delay in procurement of goods.

5.6.3 Traffic and Licensing

Main purpose: To promote road safety through law enforcement and to ensure service delivery on the required level.

- To ensure that the public receives proper service delivery from Licensing section;
- To ensure that roadworthy tests are conducted daily.

Main Priorities: Law-enforcement, learners' and Drivers' Licence Testing, as well as roadworthy testing.

Major Achievements:

- Appointment of 4 Traffic Officers to enhance law enforcement.
- Acquisition of 10 Patrol cars.

Constraints Experienced: - Shortage of staff.

5.6.4 Library Services

Main purpose: To render efficient library services to all communities around Ba-Phalaborwa Municipal Area.

Main Priorities: To improve access to community library services to within walking distance of 5 kms throughout the municipality.

Major Achievements:

- Opening and Operation of Library at Seloane
- TSC. Provision of mobile library service at Mashishimale.

Constraints Experienced: Extension of library services opening hours due to lack of funds for overtime.

- Shortage of staff.
- Lack of Library infrastructures at Masishimale, Makhushane, Humulani/Matiko-Xikaya, Majeje and Maseke areas.

5.7 Directorate: Planning and Development

The Planning and Development department was divided into Local Economic Development & Tourism; and Planning, Land Use & Housing.

5.7.1 Local Economic Development and Tourism

Main Purpose: The main purpose of the Local Economic Development unit is to serve as the custodian of the LED and Tourism Strategies. The unit work closely with the IDP Unit to integrate economic development in the municipal area create conducive environment for doing business.

Main priorities: The main priorities included overseeing the implementation of the LED and Tourism Strategies in the municipal area and to have the strategies aligned to the District LED and the LEGDP strategies.

The unit is tasked with the responsibility of facilitating and coordinating initiatives to empower SMMEs through various initiatives such as procurement (Supply Chain) and skills development programmes offered in partnership with strategic partners such as FOSKOR, National Treasury, LIBSA, Palabora Foundation, DBSA and SEDA.

Major Achievements: The unit has been successful in maintaining cordial positive relationships with its strategic partners such as local mines, DBSA, District Municipality and Sector Departments. The relationships led to millions of Rands being invested in the local economy in various LED projects such as Marula oil extraction, Waterbok, Electricity Sub-station upgrading, streets rehabilitations, upgrading of sporting facilities, construction of the Seloane TSC, Hawkers facilities, taxi ranks, etc., aimed at achieving set targets in various parts of the municipal area.

Constraints: There are relative constraints faced with regard to the operationalisation of some of the facilities built. There is also a need for management to assist in fostering mainstreaming of LED and Tourism initiatives by other internal municipal and public and private sector departments to attain an integrated drive on programmes and initiatives for job creation, poverty alleviation, business promotion and SMME empowerment.